



Daily Report

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Daily Report China

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General

Further on Foreign Ministry News Briefing

OW0502125793 Beijing China Radio International in English to Western North America 0400 GMT 5 Jan 93

[By Yang Lei; from the "Current Affairs" program]

[Text] China is urging Israel to return the Palestinian deportees as soon as possible. Foreign Ministry Spokesman Wu Jianmin discussed this and other issues at a news conference in Beijing Thursday [4 February]. CRI's [China Radio International's] Yang Lei has this report:

[Begin recording] [Yang Lei] On Monday Israel announced that it would allow 100 Palestinian deportees to return home. It also said it would reduce the order affecting the other 300 from two years to one year and allow the helicopter delivery of food and medicine to the expelled Palestinians. Foreign Ministry spokesman Wu Jianmin was asked to comment on the Israeli decision, his remarks were translated by interpreter.

[Wu Jianmin] In our view, the UN Security Council Resolution 799 should be fully implemented, and the Palestinian deportees should be allowed to return home as soon as possible.

[Yang Lei] Referring to a statement by Japanese Foreign Minister Michio Watanabe that he will request the United States to renew China's MFN status, the spokesman has the following comment:

[Wu Jianmin] We welcome any effort conducive to maintaining and developing Sino-U.S. economic and trade relations. The mutual offer of MFN status between China and the United States is an equal and mutually beneficial arrangement. It benefits not only the two countries themselves, but also the economic cooperation and development in the region.

[Yang Lei] Wu Jianmin also denied a report recently released by the U.S. Defense Department, saying that China, Syria and, Iran are conducting joint research on cruise missiles.

[Wu Jianmin] There is no such thing.

[Yang Lei] Since December's legislative elections in Taiwan, the forces for Taiwan independence seemed to be gaining ground. Even some members of the Kuomintang party are now advocating independence. The spokesman also commented on this trend:

[Wu Jianmin] Any attempt to separate Taiwan from its motherland will be running counter to the fundamental interest of the Chinese people and is bound to come under the strong opposition and condemnation of all the Chinese people, including the Taiwan compatriots; and the Chinese Government will absolutely not sit by and watch idly.

[Yang Lei] Recently more women engaged in prostitution have come to China from countries of the former Soviet Union. Wu Jianmin says that China will take steps to end the practice:

[Wu Jianmin] Prostitution is illegal in China. Once discovered, the competent Chinese departments will levy (fines) on the prostitution or crush on it. China is willing to cooperate with other parties concerned in suppressing this phenomenon.

[Yang Lei] The spokesman also announced that Albanian Foreign Minister Alfred Serreqi will visit China next week.

For CRI, I am Yang Lei. [end recording]

Article Reviews Post-Cold War Relations

HK0402143593 Beijing SHIJIE ZHISHI in Chinese No 1, 1 Jan 93 pp 2-3

["Yearender" by Wu Xingtang (0702 5281 0781): "Reviewing 1992—First Year After Cold War"]

[Text] 1992 was the first year after the world had experienced great shocks for three consecutive years. During the three previous years, a series of great events occurred and change the world pattern. In the wake of the drastic changes in East Europe, the reunification of Germany, the Gulf war, and the dissolution of the Soviet Union, the bipolar structure that had emerged after World War II, characterized by the contention between the United States and the Soviet Union for hegemony, finally came to an end. Therefore, 1992 can be regarded as the first year after the end of the Cold War. However, even in that year, the world was still experiencing great changes, and eventualities kept on taking place. What will the world become? And where will our planet be heading? These have become questions attracting world attention.

All the changes that took place in 1992 and bore the hallmarks of the century will possibly have its influence extended decades ahead, and many consequences are still unclear for the time being. However complicated and intricate the international situation was in 1992, one still can find some trends amid the many changes.

There Is No Winner in the Cold War

The Soviet Union, one of the two superpowers, disintegrated and vanished in several months, divided into more than 10 independent states. Russia, though surviving and retaining some strength, is facing a host of difficulties. At least for quite a long time it will not possibly rebuild the past power and glory of the Soviet Union. Thus a Soviet Union which used to contend with the United States for control over the world withered away.

Then how about the United States? Some Americans have been swollen with arrogance after the Gulf war and the dissolution of the Soviet Union. Believing that their country has become the world's overlord, they rushed to call for establishing "a new world order" with the United

States dominating over the world. However, a short spell later, during the 1992 presidential election campaign, the slogan of "building a new world order" was changed into that for "reinvigorating America," implying a remarkable change in the orientation. More and more Americans are asking themselves: What has the United States actually gained from the so-called "victory of the Cold War"? More Americans have now tasted the bitterness of increasing unemployment and a decline in living standard. The U.S. economy has been exhausted by the Cold War and frustrated by many drawbacks. Surprisingly, in only a year or so, the popularity of Bush, who is called the "winner" of the Cold War, gradually dropped from his top popularity rate, namely, 90 percent of support, down to slightly above 30 percent in public opinion polls, and finally he was defeated in the presidential election by Bill Clinton, who pledged to "reinvigorate the U.S. economy." This is in fact an irony by the Americans themselves of the United States' claim as the "winner of the Cold War." As the Soviet Union has vanished and the United States has been substantially weakened, neither of them can claim to be the winner.

Some people hold that Germany, which has achieved reunification, is the biggest winner. But the Germans themselves have found that too rapid a unification process has cost them too high a price. In the first year after the reunification, DM150 billion [Deutsche marks] was paid for reconstruction of the eastern part of the country, another DM170 billion was paid in 1992, and it is expected that an additional DM1 trillion will have to be paid in the years to come. The price for reunification and the "aid" extended to the former Soviet Union and East Europe have turned out to be a heavy burden on the German economy and have created many difficulties.

The end of the Cold War has made some Western people believe that capitalism will "dominate the world" from now on and "history has arrived at its ultimate." However, they have soon felt the impacts of the drastic changes in the Soviet Union and East Europe. Conflicts that had been covered up under the bipolar structure in the past began to emerge very soon, Europe in particular has become the world's new unstable region, while the Balkan Peninsula and Caucasus have turned out to be new hot spots of conflict. Europe has always been a major strategic point of international political struggle, and the turbulent situation in Europe has aroused concern and misgivings among people of the world.

New Development of the Basic Contradictions

After the Cold War, the Western allies have lost their "common enemy," and the internal contradictions, conflicts, disputes, and clashes among them have come further to the surface. The competition between the United States, Europe, and Japan as the three major economic powers has become increasingly tense. Internal trade wars have broken out one after another within the "club of rich countries" (the Group of Seven). The greatest financial crisis since World War II burst out in the European Community [EC]. There are heated

quarrels among members of the EC, especially between Germany and Britain and between France and Britain, as they are contending for leadership in European affairs, the struggle over the establishment of a "European corps" by France and Germany being an example. Near the year end the dispute between the United States and Europe on trade of agricultural produce nearly triggered off a massive trade war between the two sides. The failure to put the Maastricht Treaty into force on 1 January 1993 as scheduled even caused a big quarrel within the European economic and political alliance.

Developed countries are disturbed by prominent internal social contradictions. Massive racial riots broke out in Los Angeles. Germany experienced the largest strike ever occurring in the country over the last two decades. French farmers have repeatedly staged protests and demonstrations as the disputes between Europe and the United States over trade of farm products last. Large-scale coal miners' strikes also took place in Britain. Right-wing antiforeign and residual Nazi forces are gaining ground again in Germany and other European countries.

Another noteworthy new phenomenon is that a "serious trust crisis" toward conventional political parties and politicians has been brewing among the public in developed countries, and people have doubt about the ability of those political parties and leaders to solve serious domestic economic and social problems. The influence of ruling parties has been largely weakened in general or local elections in those countries.

The political and social turbulence within capitalist countries can mainly be attributed to economic problems. Economic stagnation and recession or the slowdown of economic growth has taken place in all the developed Western countries, first in the United States, the United Kingdom, and Canada, then in France and Italy, and finally in Germany and Japan.

The South has encountered difficulties in its development process, and the gap between the South and the North is widening. Affected by the drastic changes in the Soviet Union and East Europe, some African countries are suffering from serious political turbulence, being hindered in their way to development, and facing tremendous economic difficulties. Developed Western countries have taken the opportunity to exert pressure on Third World countries. They have attached more political conditions to economic aid, in an attempt to force the West's political structure, economic models, and ideologies on those Third World countries. In the meantime, one has seen difference between Third World countries in their development standard. While some of them are still in the utmost underdeveloped state, others are gradually rising as new industrial countries. Many Third World countries are eagerly looking forward to initiating and promoting south-south cooperation.

While acknowledging the new development of all the above basic contradictions, we must also be aware that the different parties are conditioning each other and are

mutually coordinated. For example, because of conflicts of interests, there may be very keen contention between Western powers; but, given some conditions, the different parties may coordinate with each other and reach a compromise after making some concessions; and afterward they may have new contradictions between them on other new issues and start a new round of struggle.

At present, different political forces in the world are in the process of great differentiation and reorganization. Various contradictions are interwoven and international relations are becoming more intricate.

National and Religious Contradictions Have Been Escalating

After the end of the Cold War, national and religious contradictions have been escalating in some regions, or have even caused armed clashes and led to internal turmoil in some countries, thus affecting regional stability. The war in former Yugoslavia and some armed clashes within the CIS bear these characteristics. National and religious contradictions, interwoven together, have rendered the situation still more complicated and made it still more difficult to settle all the conflicts. Very often, national separatists make use of nationalist feelings to exclude, oppose, and attack other races.

Nationalism is a very old issue. Progressive struggles for national equality and independence and against foreign aggression have never stopped in history. After World War II, the mammoth national liberation movement and national independence movement have forwarded historical development. Nevertheless, history has also witnessed many national wars that brought people great miseries.

Given the complicated international situation at present, it is still very important for many Third World countries to safeguard national independence, equality, and dignity, formulate their own development strategies according to their own national characteristics, resist the Western model that the West is forcing on them under the pretext of "global integration," preserve their national characteristics, and, at the same time, maintain friendly and peaceful relations and cooperate with other nations.

With regard to the ethnical issue, developed countries are facing two cases. The first case is related to ultra-rightist force. This force, flaunting the nationalist banner, being strongly exclusionist and anti-foreign, is advocating new Nazism. It has already been strongly condemned and opposed by countries and concerned governments, and the public as well. Another case is that, when discussing the proposal on the European alliance, people in some countries

have tended to more openly express their wish for independence and autonomy, opposed concessions in national sovereignty, and called for preservation of their own historical heritages and national characteristics. And these outcries are linked with the struggle for preservation of their nations' rights and interests.

Big Powers Are Adjusting Their Foreign Strategies

It is expected that new U.S. President Bill Clinton, after assuming office, will carry on the readjustment of foreign strategy that was initiated by the Bush administration in its later period. Over the past four decades or so, the United States had always taken the containment of the Soviet Union as the basis of its foreign strategy. For this reason, the United States had been active in the arms race and spent more than \$3 trillion on this. In consequence, the United States economic strength has been weakened. Hence there will possibly be some readjustment in the United States foreign strategy: It may shift its attention further to domestic affairs and take the "invigoration of the U.S. economy" as a key link of national strategy; with regard to international relations, it may place stress on economic issues and "economic security;" it will develop a kind of "equal" economic relations with its allies since it will no longer offer its allies the kind of "preferential treatment" that it used to give in its struggle against the Soviet Union in the past. With regard to its political and strategic relations with the allies, it will stress the need of sharing common responsibility; and it will continue to play the role of world leader and try to preserve its status as the world's only superpower.

Germany, Japan, and many developed countries, as well as Third World countries, are also readjusting their foreign strategies. A remarkable feature is that they have shifted their attention to domestic affairs in an attempt to promote their comprehensive national strength and with the focus placed on securing a favorable international position in the 21st century. Therefore, economic factors will be highlighted in future international relations. Developing countries will have a more pressing need for readjusting their policies, exploring ways of domestic development, and strengthening international cooperation.

Looking forward to the new year we will see that the world will remain turbulent, various contradictions and struggles will continue to emerge in new forms, hegemony and power politics will continue to play a part, and the world situation will still be affected by many unstable factors. At the same time, however, international contact and exchange will be strengthened. Competition and cooperation will develop side by side in international economic activities and trade. Every nation will be facing both challenges and opportunities.

United States & Canada

Intellectual Property Rights With U.S. Discussed

OW0402105393 Beijing Central People's Radio Network in Mandarin 0900 GMT 2 Feb 93

[First half of interview with Sun Zhenyu, director of American and Oceanian Affairs in the Ministry of Foreign Economic Relations and Trade, by station correspondent (Qin Yong); at the Ministry of Foreign Economic Relations and Trade in Beijing; date not given; from the "News Around the World" program—recorded]

[Text] [(Qin)] As we all know, Sino-U.S. economic and trade ties play an important role in the two countries' economic and trade activities. A review of the development of such ties will show that many discrepancies exist in both countries. Of course, wider and common interests also exist. I am sure many listeners are interested in learning about the development and actual situation of Sino-U.S. economic and trade ties in 1992. As the new U.S. Government begins to function and China participates in the GATT, Sino-U.S. economic and trade ties will make further progress. Could you, Director Sun, tell us something about the situation in 1992?

[Sun] The year 1992 witnessed a relatively difficult period for Sino-U.S. economic and trade ties. In 1992, owing to various political reasons, we experienced many frictions with the United States in the economic and trade fields, including most-favored-nation status, negotiations on intellectual property rights, products made in the reform-through-labor camps, market access, and transit exports of (?textile products). Both sides conducted many important negotiations in the economic and trade fields.

Under the direct leadership of the CPC Central Committee and the State Council, we have achieved some progress on major issues. Regarding most-favored-nation status, we have basically succeeded in obtaining an unconditional extension of it. Of course, we only solved the problem for 1992. The problem will continue to come up in the future. However, it was very favorable to us, even if we only solved the problem for 1992.

In terms of intellectual property rights, we signed two memorandums on protecting intellectual property rights in January 1992. At the end of 1992, we signed a memorandum of understanding on products made in the reform-through-labor camps. In October, we signed two memorandums on market access. The two countries have reached a proper settlement on problems in the economic and trade fields. In 1992, trade between the two countries made great progress. According to our initial statistics, by November 1992 our exports to the United States reach \$7.1 billion, while our imports from the United States amount to \$7.4 billion, showing a great increase over the same period of 1991. Our exports to the United States mainly include textile products, clothes, shoes, toys, and electrical appliances. The United States is a very important market for us. Our exports to the United States, if transit exports via Hong Kong are included, constitute about one-fourth of our total exports. Our imports from the United

States are products badly needed by us, including airplanes, grains, chemical fertilizers, cotton, timber, paper, and wood pulp. These commodities are very important in improving our national economy. Of course, we also imported machines and technology and equipment from the United States. These imports play an important role in our national economic growth.

In addition, many American companies have shown great interest in investing in China. An investment surge has been created since Comrade Deng Xiaoping made his important remarks during his inspection of southern China. American companies invested a large amount in China in 1992. As of the end of 1992, more than 2,000 American companies had invested in China with investment reaching \$2.8 billion. In terms of investment in China, the United States ranks first among all foreign countries. Many big U.S. companies, including Chrysler, General Electric, Motorola, and United Technologies Companies, have invested in China, which plays an important role in promoting economic and trade ties between the two countries.

[(Qin)] Director Sun, I think our listeners would be interested in the Sino-U.S. agreements concerning the protection of intellectual property rights and market access. Could you give us some information about them?

[Sun] In terms of protecting intellectual property rights, China [words indistinct]. It was after 1950 that we gradually began to understand the importance of this issue. Intellectual property rights mainly include patents, copyrights, and trademark rights. In Western countries, protection of intellectual property rights has a history of one or two centuries. In China, we began in 1979 to gradually formulate laws to protect such rights. In the past, we did not protect such rights of either Chinese or foreigners. Since 1979, we have promulgated one after another the patent law and the trademark law. In 1992, we promulgated the Copyright Law. In addition, we signed relevant international conventions and treaties. We have made great progress in this field. But the U.S. side still thinks we are far behind in protecting such rights. In terms of U.S. standards and international standards, there are some gaps in protecting intellectual property rights concerning medical and pharmaceutical products as well as chemical and industrial products. The U.S. side believes China should do better in protecting these intellectual property rights. As a result, it has included us in its warning list of major countries. It wants to hold talks with us in a set time. If we fail to solve this problem, it will carry out trade retaliation. After arduous negotiations, we reached an agreement in January 1992. Such an agreement plays an important role in improving Sino-U.S. ties because Sino-U.S. economic and trade ties at that time were at their low and there was no bright light at the end of the tunnel.

The conclusion of the agreement on intellectual rights created a turning point for the better. Many U.S. congressmen have gradually changed their attitudes towards China. They also changed their opinions about China's most-favored-nation status. Therefore, we can say this achievement has played an

important role in improving Sino-U.S. ties. All other countries are working hard to protect intellectual property rights. So we must gradually adhere to the international norm. By protecting intellectual property rights, we can help promote technical progress and attract more foreign investment in China to develop our industry.

Clinton's Reaction to UN Bosnia Plan Noted

OW0502073393 Beijing XINHUA in English
0520 GMT 5 Feb 93

[Text] Washington, February 4 (XINHUA)—The Clinton administration is under mounting pressure to support a peace plan on Bosnia put forward by international mediators.

Democrat Lee Hamilton, chairman of the House Foreign Affairs Committee, said on Wednesday that the plan "was the only game in town.... There is no other negotiation track available."

The administration of Bill Clinton, however, clings to its policy of neither rejecting nor endorsing the plan, which was worked out by international mediators Lord Owen and Cyrus Vance.

The plan includes three documents on division of Bosnia-Herzegovina into 10 semi-autonomous regions under a federal government, a new constitution and a ceasefire.

White House Spokeswoman Dee Dee Myers said President Clinton supports the work by Owen and Vance but will back their plan only if "all the parties agree to participate."

Washington is also facing international pressure to back the peace plan, which has already won support from the European Community and Russia.

To join in the effort in convincing Washington, visiting German Foreign Minister Klaus Kinkel also pressed the Americans to endorse the plan.

Kinkel, the first foreign minister of the European Community to meet Clinton, said the Vance-Owen plan is "the last chance we have to bring about a solution" to the Balkan crisis.

Bosnian-Serb leader Radovan Karadzic, Bosnia-Muslim Foreign Minister Haris Silajdzic and Bosnian-Croat leader Mate Boban started talks at the United Nations today.

The last round of the talks broke down Saturday in Geneva when the Serb side, which now reportedly occupies some 70 percent of the territory, refused to sign the document mapping out the 10-region division and the Muslim Bosnians balked both the division plan and a ceasefire agreement.

The Croatian side had signed all three documents.

The Muslims say the proposed map rewards what they called the Serbs' "ethnic cleansing" and want to have all Serbian heavy artillery under effective U.N. control before signing the ceasefire document.

Owen and Vance decided to move the talks to the U.N. in the hopes that the United Nations Security Council would pass a resolution imposing the plan, though fine tuning of the map is allowed.

Washington, believed to be unsatisfied with the map, was accused by Owen as causing the Muslims to refuse to pen on the document.

In an interview published in Wednesday's NEW YORK TIMES Owen said "we can't get the Muslims on board ... and that's largely the fault of the Americans, because the Muslims won't budge while they think Washington might come into it on their side any day now."

U.S. Secretary of State Warren Christopher, describing the Bosnia crisis as "one of the most difficult foreign policy problems imaginable," told Kinkel today that "after we make our policy review we'll be making some announcements."

"For the time being, we are undergoing this searching review," Christopher said.

The United States had originally tried to secure military enforcement of the U.N.-sanctioned "no-fly zone" over Bosnia and lift arms embargo against the warring factions.

Military actions, even only involving the U.S. Air Force, are confronting strong opposition in the Pentagon and the ending of the arms embargo, initiated by Christopher's predecessor Lawrence Eagleburger, had won support only from Turkey among Washington's allies.

Testifying before the Senate Armed Services Committee last week, Rear Admiral Mike Cramer, director of current intelligence for the Joint Chiefs of Staff said the air cap enforcement would make "no appreciable military difference."

Also present at the hearing, Lieutenant General Martin Brandtner, director of operations in the Joint Chiefs of Staff Office, said ending the arms embargo would "just be more chaos."

Central Eurasia

Yeltsin Blames Government for Economic Slump

OW0502050393 Beijing XINHUA in English
0245 GMT 5 Feb 93

[Text] Moscow, February 4 (XINHUA)—Russian President Boris Yeltsin Thursday [4 Feb] sharply criticized the government's economic work last year and the too rapid transition by the nation's war industry to produce civilian products, local press reported.

Speaking at a cabinet meeting, Yeltsin said the Russian Economic Ministry should bear responsibility for a national economic slump in 1992. The ministry has done little to reform Russia's economy, he said.

Yeltsin also criticized the government's financial policy for not controlling better the release of loans. Last year,

he said, loans were made totaling 3,500 billion roubles, but no one knew where they had gone.

Furthermore, the president pointed out the Ministry of Foreign Economic Relations had devised no plan to boost exports, much less a plan to protect foreign investors.

Yeltsin also spoke of the transition of the war industry to produce civilian products. He expressed dissatisfaction with the industry's honoring only two-thirds of its expected weapons orders.

He explained that many weapons buyers had turned to Western suppliers because of Russia's large-scale cut-down in its war industry. He urged the industry to slow down the transition pace and increase weapons exports.

Also on Thursday, Russian Vice President Andrey Rutskoy stressed in Nishniy Novgorod (formerly Gorky city) where he was meeting with local entrepreneurs that "Russia had seen no reform in 1992 except for crumbling of the national economy and destruction of the agriculture-industrial complex."

Rutskoy predicted it would take five to eight years to stabilize the economy.

He also hinted that work on a long-term weapons export plan was underway.

Northeast Asia

Japanese Bank Extends \$10 Million Loan to Shanghai

OW0402135993 Shanghai People's Radio Network in Mandarin 2300 GMT 2 Feb 93

[From the "Morning News" program]

[Text] Japan's Tokai Bank is extending a \$10 million loan to Bank of China's Shanghai Branch for use to finance projects undertaken in Shanghai during 1994. The two sides signed the loan agreement at a ceremony yesterday. This was the second loan extended by the Tokai Bank. The first loan was in the amount of \$50 million.

ROK Official Cited on Ties With Beijing

OW0402130193 Beijing XINHUA in English 1230 GMT 4 Feb 93

[Text] Beijing, February 4 (XINHUA)—Son Chu-hwan, president of the Korean Foundation from the Republic of Korea (ROK), said here today that they will make efforts to spur the development of the non-government relations between the ROK and China.

In an interview with XINHUA, Son said that his current visit to China is aimed at seeking direct and active non-government exchanges and cooperation between the ROK and China to enhance the friendship and deepen mutual understanding.

Son, referring to his meeting with Chinese Vice-Premier Wu Xueqian and leading officials from various relevant departments, said that both sides held the same views on the importance of developing non-government relations.

He said that his foundation has mapped out some plans to promote the progress of non-government relations between the two countries.

According to the plan, they will fund studying activities in universities and research institutes, the teaching of the Korean language, and the promotion of cultural and personnel exchanges.

The president expressed the hope that more experts, scholars and students will go to the ROK for study.

He said that friendly contacts between the two peoples will benefit both countries.

Referring to his impression on China, he said that China's reform and opening to the outside world is a success and its future modernization will be achieved.

The visitors arrived here Sunday as guests of the Chinese People's Institute of Foreign Affairs.

Near East & South Asia

'Roundup' Says Afghan Situation 'Deteriorating'

OW0402132193 Beijing XINHUA in English 1217 GMT 4 Feb 93

["Roundup" by Wu Dingbao and Wang Hongyu: Afghan Situation Deteriorating"]

[Text] Islamabad, February 4 (XINHUA)—The situation in Afghanistan is deteriorating rapidly as fighting in Kabul between government forces and rival groups has been intensified during recent days.

At least 86 people were killed and about 160 others injured during the last two days when dissident leader Golboddin Hekmatyar's Hezb-e Eslami forces pounded more than 168 rockets on Kabul, according to the official Kabul radio.

On Wednesday, government planes carried out three bombing raids on Hekmatyar's headquarters at Chara-syab to the southeast of Kabul and the Hezb responded with anti-aircraft guns.

The latest fighting erupted on January 19 when the government forces under the command of Defense Minister Ahmad Shah Mas'ud launched an offensive on Hezb positions outside Kabul.

The Hezb-e Eslami, believed to be the strongest among the government opponents, rejected the December election of Jamiati-e Eslami leader Borhanoddin Rabbani as Afghan president for a two-year term, saying it was rigged.

The rebels' fierce rocketing on Kabul in the renewed fighting has damaged some embassy buildings in Kabul

and has forced countries like Pakistan, India and Iran to evacuate their embassy staff from Kabul.

After its four staff involved in relief activities were killed in an ambush by three gunmen near Jalalabad, east Afghanistan, the United Nations also announced it had withdrawn its international staff from Jalalabad and Kandahar in the south.

The deteriorating situation in Afghanistan has caused great concern in the international community, particularly in Pakistan, Iran and Saudi Arabia which strongly supported the mujahideen during their war against former Soviet invaders. Peace efforts have therefore been on to bring warring faction leaders to a negotiated settlement of their differences. Earlier on January 23, Saudi Arabian King Fahd invited all Afghan mujahideen leaders to gather in his country for peace negotiations.

On Wednesday, Pakistan Prime Minister Nawaz Sharif and King Fahd discussed the deteriorating situation in Afghanistan in Riyadh, capital of Saudi Arabia, and appealed to all Afghan groups to stop fighting and resolve their differences through peaceful political negotiations.

In New York, UN Secretary General Butrus Butrus-Ghali issued an urgent appeal to all sides of Afghanistan to cease hostilities and resume peace talks.

But both the Rabbani government and the rival groups, especially Hekmatyar's group, have set conditions apparently unacceptable to each other for peace talks.

Defense Minister Mas'ud vowed soon to launch a major offensive against Hekmatyar's troops to eliminate its opportunities to rocket Kabul in the future while Hekmatyar's Hezb said it would continue to fight till a consensus is developed on the formation of a national government acceptable to all in Afghanistan.

Under such circumstances, the fighting sees no end in the near future and the future of Afghanistan is at stake.

Nepalese Prime Minister Meets CPC Representative

OW0402130793 Beijing XINHUA Domestic Service in Chinese 0340 GMT 1 Feb 93

[Text] Katmandu, 31 Jan (XINHUA)—Nepalese Prime Minister Girija Prasad Koirala had a meeting at his office with visiting CPC representative Jiang Guanghua. The two sides had a cordial conversation.

Koirala said: "Nepal and China have been maintaining friendly relations. I will do my very best to develop this friendship with our neighbor, China."

He reassured that Nepal will not permit any political forces to carry out anti-China activities in its territory.

Jiang Guanghua said: The Chinese Government highly appreciates the Nepalese Government for the position it takes. Your Excellency's successful visit to China last year has not only strengthened the two countries' friendship, but also was in the interests of peace and stability in this region.

Later this evening, Jiang Guanghua also paid a courtesy call on former Nepalese Prime Minister Suriya Bahadur Thapa. Chinese ambassador to Nepal Shao Jiongchu was also present at these functions.

Jiang Guanghua, deputy head of the International Liaison Department of the CPC Central Committee, is here to attend the Fifth National Congress of the Nepal Communist Party (United Marxist-Leninist).

West Europe

NPC's Rong Yiren Meets Italian Prime Minister

OW0302024493 Beijing XINHUA in English 0212 GMT 3 Feb 93

[Text] Rome, February 2 (XINHUA)—Italian Prime Minister Giuliano Amato said Tuesday China's economic development will play a balancing role in the world economy and Italy will encourage investment in China in addition to export.

Amato said this during a meeting with Rong Yiren, a vice-chairman of the Standing Committee of the Chinese National People's Congress, who is on an official visit to Italy.

Rong, who is also chairman of the board of directors of the China International Trust and Investment Corporation (CITIC), called on Italian entrepreneurs to consider specific economic cooperation projects with China.

At a meeting with leaders and members of Italy's biggest employers' association, the General Confederation of Italian Industrialists (Confindustria), Rong said, "there are vast potentials for economic cooperation between China and Italy. The door of China is always wide open for friends from Italy."

Rong also met the president of the Italian Senate, Giovanni Spadolini and the minister of treasury, Piero Barucci.

Latin America & Caribbean

Wu Xueqian Meets With Honduran Party Leader

OW0502101393 Beijing XINHUA in English 0954 GMT 5 Feb 93

[Text] Beijing, February 5 (XINHUA)—Chinese Vice-Premier Wu Xueqian met with a delegation from the Liberal Party of Honduras here today.

The delegation, led by chairman of the party's executive commission Rafael Pineda Ponce, arrived here Tuesday [2 February] on a good-will visit at the invitation of the Chinese Communist Party.

This is the first delegation sent by the Liberal Party to visit China.

During the meeting, Wu had a cordial conversation with the visitors on issues of common concern.

Political & Social**Hong Kong TV Interviews Dissident Wang Xizhe**

HK0502075093 Hong Kong Asia Television Limited in Cantonese 1340 GMT 4 Feb 93

[Report narrated by staff reporter Tan Hui-er on an interview with dissident Wang Xizhe; from the "News Magazine" program; place and date not given—recorded]

[Text] [Tan] Wang Xizhe is a native of Sichuan, but he grew up in Guangzhou. During the Great Cultural Revolution, Wang Xizhe was a Red Guard who was later jailed and was once sent to the countryside. Wang Xizhe began to be noticed in 1973 when he, Li Zhengtian, and several others jointly wrote a big-character poster entitled "On Socialist Democracy and the Legal System," which pointed out that the mistake of the Cultural Revolution came about because China's politics lacked the restraint of democracy. This big-character poster was later called the Li-Yi-Zhi big-character poster. Their views were criticized by the CPC authorities, however, and Wang Xizhe was arrested and imprisoned from 1977 to 1978. At the end of 1978, the CPC changed its line, stressing economic construction, and Wang Xizhe was rehabilitated. Wang Xizhe then published a number of articles on socialist democracy and took a major role in the 1979 Beijing Spring Democracy Movement. In 1981, the Chinese Government once again made large-scale arrests of those involved in the democracy movement, and Wang Xizhe was arrested again and sentenced to 14 years in prison. When we compare his appearance with that of 12 years ago, we notice that Wang Xizhe's hair has all turned white, but he seems to be very healthy. Because Wang Xizhe's sentence does not end until 1995, his release is only a parole.

[Wang] The so-called parole means that you serve your sentence at home. That is what it means.

[Tan] Have they told you what you can do for the next several years?

[Wang] They have said nothing, but I think that, as I have been paroled, I must earn a living, and they are not likely to object to this. They are not opposed to earning a living under normal conditions and within the domain of the government's laws and regulations. In concrete terms, however, what does it mean I can do? I do not know today, but I will try to find out when I report to the police substation tomorrow.

[Tan] Early this morning, Wang Xizhe went to the police substation to report his presence and then went with his wife to see his parents. Wang Xizhe said that, during his 12 years in prison, he felt most guilt toward his parents.

[Wang] My mother's health is quite good, and I am very happy, but, when I see my father's condition, I feel I have been a burden to him, and I really want to kneel down before him. I think if I really were to do so, however, it

would be embarrassing. I want to get on my knees and ask my father to forgive me.

[Tan] Regarding his plan for the future, Wang Xizhe said that he wanted to rest first.

[Wang] I want to reintegrate into society, because I have been separated from it for over 10 years. I want to reintegrate into society and understand things in different areas. Many reporters have come to me, and I have told them that, if they want to hear my opinion, they must first furnish me with as much information as possible in Chinese and English. I want to know more about society's conditions and the situation at home and abroad, so I can enrich myself and reintegrate into society. They asked me what kind of information I need, and I asked for whatever information they have and as much as possible, because I am very hungry. As I have been isolated for such a long time and have only been permitted to read those books and magazines that the government approved, such as the party organ, I know nothing about other things and therefore would like to look at conditions in different areas and be able to judge the situation more objectively and thoroughly.

[Tan] In discussing his 12 years in prison, he said that the treatment he received was not bad, though his health has deteriorated over the past few years.

[Wang] Before 1988, I basically labored like other prisoners, even though I was treated according to different policies. For example, other ordinary prisoners had their sentences reduced and received other benefits, but I never did. Even though I worked as hard as the others, the government did not recognize my labor. After 1988, I was isolated with some other prisoners, including Lau Shan-ching. It was a severe blow to my health.

[Tan] Do you know Lau Shan-ching very well?

[Wang] Yes, we were quite close even before we went to prison. At that time, my health was bad, I often felt weak and dizzy, and I shivered and trembled at the slightest breeze. I thought I was going to die. After the White Paper on Human Rights was made public last year, conditions began to ease, political prisoners like us received slightly improved treatment; living conditions improved somewhat; and the meal fee was increased by 10 yuan. We were allowed to leave the cell to do some labor from time to time, but they continued to keep us in single cells after we finished our labor. My health improved a bit.

[Tan] Wang Xizhe said that he does not regret what he has done.

[Wang] No, I never had any regrets, because I believe that I said what I had to say for the country and the people. Is this not just? This is why I feel no regret in any way.

[Tan] Wang Xizhe said that, when he was in prison, he knew very little about the outside world.

[Wang] When my wife visited me, we could not talk about those things. What we could talk about was family affairs, not politics, current conditions, or similar topics. I learned some news about the domestic and international situation from the newspapers which the government allowed me to read, such as RENMIN RIBAO and NANFANG RIBAO. If I was released due to these circumstances, I do not know—and it was not my intention, because I thought that I would have to serve my sentence to the end. It was not my intention. They released me suddenly, and I was surprised. I was not excited, however, and I felt at ease, because I think it is acceptable that they arrested me, for I said some things and wrote some articles. If they chain me up for these things, so be it. Now they have released me—let them—I am not excited nor do I have a sense of well-being; I feel peace. I feel my wife has suffered a great deal over the past 10 years, however, and I am very grateful to her.

[Tan] Wang Xizhe said he did not know whether his release was linked to the pressure foreign countries exerted on China.

[Wang] I read some newspapers in the prison, including the English-language CHINA DAILY, which reported that the United States had given China a list of political prisoners, but I did not know whether my name was included in the list, so I do not know whether my release was directly linked to the list. I have different views on the so-called dissidents. I am not a person who disagrees with the Communist Party. There is no need for me to disagree with the Communist Party. The first time things went wrong, when I went to prison and was rehabilitated for the first time, I said that I was not a dissident against the CPC.

[Tan] What are you then?

[Wang] If the Communist Party policy is correct, I support it. If it is incorrect, I can criticize it. There is no need for me to resist the Communist Party. Of course, whether my criticism is correct is another matter. I think my criticism was correct, but this is another issue. This is why I do not want to consider myself a dissident.

[Tan] Wang Xizhe's wife [Su Jiang] is very happy about his release from prison.

[Su Jiang] Certainly, I am very happy. My whole family is very happy. It is a family reunion.

[Tan] Wang Xizhe said he would properly repay his wife, who has consistently been so nice to him over the many years.

Prospects for 1993 Social Undertakings Viewed

HK0402154593 Beijing RENMIN RIBAO in Chinese
21 Jan 93 p 2

[Article contributed by the State Planning Commission: "People's Quality of Life Will Be Further Improved—The Development of and Prospects for China's Social Undertakings in 1993"]

[Text] In 1992, new achievements were made in China's social development. Educational undertakings rapidly developed. The nine-year compulsory education system proceeded in a planned way. Intermediate vocational and technical education, preschool education, special education, and adult education were further strengthened. The number of students attending general schools of higher learning reached 2.18 million, up 6.9 percent over 1991. A definite result was obtained in the readjustment of the discipline and specialty structure. For primary education all over China, it was basically possible to achieve the target that no dangerous makeshift classrooms exist in schools, every class has its classroom, and everybody has his desk and stool.

The cultural undertaking flourishes and the cultural life of the masses is varied and colorful. As for public health, it is basically possible to shift the focus to rural public health and preventive health care. Funds used in rural public health and preventive health care increased by more than one billion yuan over 1991; medical and health care conditions in vast numbers of rural areas further improved; the reported incidence rate of major infectious and contagious diseases continued to decrease; the population control plan was completed in an all round way; and the urban unemployment rate lowered.

In 1993 all social undertakings in China will be developed and reformed more quickly and the people's living standards and quality of life will continue to improve.

The state will continue to give priority to the development of education which has strategic importance, make efforts to popularize the nine-year compulsory education, and vigorously develop intermediate vocational and technical education, adult education, and higher education. In 1993, general schools of higher learning plan to recruit 786,000 undergraduates and professional students, special intermediate schools plan to recruit 900,000 students, and moreover, local recruitment autonomy will be expanded.

The state will vigorously strengthen the development of socialist spiritual civilization and further develop various other undertakings such as culture, journalism, publication, broadcasting, film-making, television, public health, sports, and tourism. It is particularly necessary to expand the development of education, culture, broadcasting and television, and medical and public health in vast numbers of rural areas and old revolutionary areas, ethnic minority areas, border areas, and impoverished areas. In 1993, the number of sickbeds in China will reach 2.8 million; public cultural facilities will gradually increase; the total number of printed pages of published books, magazines, and newspapers will reach 65.9 billion; and the mixed population coverage rates of radio and television are planned to be 75.6 and 81.5 percent respectively.

It is necessary to continue to strictly implement the family planning policy and the planned total population

will be controlled under 1.19 billion for the year and the rate of natural population growth under 13.88 percent. To meet the needs of economic structural reform, it will be necessary to implement a series of matching reforms in the labor wage management structure, quicken the nurturing and development of all kinds of labor service markets, further strengthen reform of the social security system, expand the scope of coverage of old-age insurance, and the unemployment insurance and medical insurance systems will also be reformed gradually.

Li Peng, Li Tieying Inscribe for TV University

*OW0402141993 Beijing XINHUA in English
1342 GMT 4 Feb 93*

[Text] Beijing, February 4 (XINHUA)—China's television university has enrolled two million students since its founding 15 years ago, the "PEOPLE'S DAILY" [RENMIN RIBAO] reported today.

The television university has about 200 specialties, covering science, engineering, agriculture, medicine, literature, economics, politics, law, arts and physical culture.

Main course of the university are being lectured on television, with regular classroom tutoring courses being held in different localities of the country.

According to the report, more than 1.57 million students have graduated, accounting for 17 percent of graduates from all tertiary institutes in the same period throughout China.

In addition, the television university has trained three million persons in special diploma courses and over 10 million in non-diploma courses.

Premier Li Peng and Li Tieying, minister of the State Education Commission, wrote inscriptions to encourage the television university on the 15th anniversary of its founding today.

Yang Shangkun Makes Appearance in Guangdong

*HK0502122493 Hong Kong Television Broadcasts
Limited in English 1115 GMT 5 Feb 93*

[From the "News at 7:10"]

[Text] Chinese President Yang Shangkun had a lot of praise today for economic development in southern China. Yang, who is touring Guangdong, made a public appearance in the provincial capital today. More from Peri Chow:

[Begin recording] The 86-year-old president appeared to be fit and healthy when he gave an interview on the Guangdong TV Station yesterday. Yang said that the southern province should accelerate its pace of economic reform and set an example for the rest of China. He believes Guangdong can achieve its aim of catching up with Asia's four dragons.

The president also made a point in showing up in a public ceremony this morning. Yang was hospitalized a month ago, but sources say that he is now fit enough to tour some nearby cities before returning to Beijing. Peri Chow, TVB News, Guangzhou. [end recording]

Vice Premier Zou Jiahua Inspects Jiangsu

*OW0402134993 Beijing XINHUA in English
1319 GMT 4 Feb 93*

[Text] Nanjing, February 4 (XINHUA)—Vice-Premier Zou Jiahua has called on Jiangsu, a more developed province in eastern China, to steadily develop its economy in line with actual conditions, act according to its capability and focus on economic results.

Zou, accompanied by Chen Huanyou, governor of the province, toured workshops, construction sites and ports of Nantong, Suzhou, Wuxi, Nanjing and Yangzhou Cities from January 29 to February 4.

Zou told local leaders that the central government has stressed strengthening agriculture and increasing farmers' income.

He explained that the issue of agriculture impacts not only rural economic development but also the whole national economy.

"China's largest market is in the countryside," the vice-premier said. "Only by steadily increasing the income of farmers can the largest market flourish, thus setting demands for industry and stimulating the development of industry, the service trade and the whole national economy."

Zou said that agriculture, the foundation of the national economy, shall not be weakened at any time because China is a country with vast population and grain supply remains a vital issue.

The vice-premier called on enterprises to concentrate on shifting their conventional views and operational mechanism toward market economy while conscientiously implementing enterprises' regulations and adjusting their product mix.

Zou was satisfied with a number of enterprises, which had made persistent progress in the reform and opening of markets, and encouraged them to make full use of their scientific research institutions and professional and technical workers.

During his inspection, Zou also had discussions with officials and experts on the development of China's communications, petro-chemical industry, water conservancy, metallurgy and electronics.

Central Party School Publishes Books

*OW0502073693 Beijing XINHUA Domestic Service in
Chinese 0701 GMT 3 Feb 93*

[By reporter Dou Guangsheng (4535 1684 3932)]

[Text] Beijing, 3 Feb (XINHUA)—The Central Party School Publishing House—which publishes books mainly on philosophy and social sciences—promoted some new books to satisfy the broad masses of readers at the opening of the Sixth Beijing Book Fair today.

Some of the new books under the political category include "Deng Xiaoping's Theories on Building Socialism With Chinese Characteristics," the "Theories and Practice for Building Socialism With Chinese Characteristics," and "General Knowledge on the Theories Regarding Building Socialism With Chinese Characteristics." Books on economic studies are "An Encyclopedia on the Market Economy—Theories and Actual Practice," "Reading Materials on the Socialist Market Economy," and the "Scope and Operations of the Shareholding Economy." Books on records of actual events include "Mao Zedong and Stalin," "Deng Xiaoping—the Great Reformer," and "Zhou Enlai as an Ordinary Person."

It has been learned that the Central Party School Publishing House has also planned to successively publish a number of important books this year to commemorate Mao Zedong's centennial.

Beijing's Mayor Visits Peng Zhen in Hospital

SK0502102293 Beijing BEIJING RIBAO in Chinese
28 Jan 93 p 1

[Text] On the first day of the Lunar New Year, Chen Xitong and leaders of the new municipal party committee went to the hospital to visit Comrade Peng Zhen, former leader, secretary, and mayor of Beijing Municipality. On behalf of the municipal party committee and government and more than 10 million Beijing people, they extended New Year greetings to Comrade Peng Zhen and wished him health and a long life. Comrade Peng Zhen also wished them and Beijing people a happy new year. He said humorously that he would march toward the age of 101.

Chen Xitong gave a report to Comrade Peng Zhen, saying: Beijing achieved great development in its work in the past few years. This was won with the guidance of Comrade Deng Xiaoping's theory of building socialism with Chinese characteristics and the concern of the revolutionaries of the older generation and was a development based on the foundation laid by you and other veteran comrades who had worked in Beijing. We will continue to carry forward your past achievements and your fine work styles and traditions. We will aim at the highest possible target when performing work as you urged in the introduction to "QIANXIAN" (FRONTLINE) and continue the causes pioneered by the revolutionaries of the older generation.

Comrade Peng Zhen said happily: Beijing's work has been good and fruitful. The latecomers should surpass the old-timers. However, the situation is developing. We should maintain the good things and eliminate those

things that are backward. If we persist in reform, we will never lag behind. I hope that you will continue to work hard.

Comrades Li Qiyan, Wang Jialiu, Chen Guangwen, and Zhang Peng also visited Comrade Peng Zhen in the hospital.

Military

Article Stresses Importance of National Security

HK0502024493 Beijing CHINA DAILY in English
5 Feb 93 p 4

[Article from the "Opinion" page by Zhou Jihua, director of the Beijing Center for East Asian Studies: "National Security 'Is Key to Peace and Development'"]

[Text] Peace and development are the two dominant issues in the world today and ones that can ensure a country's national security if resolved.

In the post-Cold War period, China's national security strategy involves the following perceptions:

A peaceful international environment is the primary condition of the country's national security.

Almost three decades after the founding of the People's Republic in 1949, China was surrounded and blockaded by the Western camp, headed by the United States. Persistent wars in its neighbouring regions, the deterioration and breakup of Sino-Soviet relations and intensification of US-Soviet antagonism in seeking hegemony all combined to fortify the belief among top Chinese leaders that another world war was inevitable and, at times, even imminent. Military strategy was targeted to prepare for an "early war, a big war and a nuclear war."

Following the end of the "cultural revolution" (1966-76), the Chinese leadership made a penetrating and objective analysis of the international situation and came to the conclusion the outbreak of a world war could be delayed and long-term peace sustained if the struggle against hegemonism was launched effectively. As a result, the national security strategy underwent a major revision, with the focus shifted to economic development. And the military strategy was re-oriented from war-preparation to peace-time construction.

A just and fair international order is an important guarantee for China's national security.

The end of the Cold War has meant the disintegration of old alliances and the regrouping situation is still unstable, with various conflicts flaring up and world economic wars escalating. All these and other trends have made the establishment of a new international order a major task, and one which is of common concern to the international community. China upholds that the new international order should be based on the principles of respect for sovereignty and territorial integrity,

mutual non-aggression, non-interference in each others' internal affairs, equality and mutual benefit, and peaceful co-existence.

National unification and social stability are the prerequisites for national security.

Modern Chinese history has taught us that political corruption and social interruption within a country will inevitably invite foreign aggression.

The modernization of national defence is a requirement of the national security.

The history during the past century or so has demonstrated that China, which has a vast territory and huge resources, would never be able to maintain its security through so called "international guarantees." On the contrary, such "guarantees" have only subjected the country to imperialist powers' humiliation, plundering and insult. One of the vital factors for this was that the country lacked a modernized armed force for self-defence. In the age of high technology, the modernization of armed forces demands more urgency. It requires higher education for the men and women in the services, modern military theories, advanced technology and equipment.

Comprehensive national strength provides the material foundation for national security.

The modernization of agriculture, industry, national defence and science and technology were first put forward in the country in 1963 by the Third National People's Congress, but it was not implemented until after the Third Plenary Session of the 11th Central Committee of the Communist Party of China in December 1978. The order of the four modernizations, which has been arranged through careful calculation, reflects China's strategic considerations;

- The country's primary strategic objective is to provide enough food and clothes to its 1.1 billion people and to help them out of poverty and backwardness. The country has no intention whatsoever to join the arms race;
- The modernization of the national defence must be based on the development of its national economy and on the comprehensive national strength.

China have vast land resources, reclamation of which requires the efforts of several generations. It can be concluded China has neither the territorial ambition, nor the spare efforts to interfere into other's affairs, even less to invade other countries. Opposition to hegemonism has been written into its Constitution.

China will never tolerate foreign aggression and permanent division of its territory. The major task of China's armed forces is to provide a powerful security guarantee for the success of the country's reforms and open policy. Modern history has shown that a weak China will invite

the plundering of big powers, which is certainly not conducive to stability in the Asian and Pacific region.

Revolutionization, modernization and regularization are the three goals set up for China's armed forces by the country's Central Military Commission in 1986.

As its name indicates, the People's Liberation Army (PLA) is an army of the people and serving the people wholeheartedly is its sole purpose. It should be armed with advanced equipment, technology and military theories and should command self-defence capabilities to battle under modern war conditions.

Since the 1980s, China's armed forces have undergone a series of reforms to achieve the three goals.

The commanding apparatus have been rectified, unit systems reorganized, new regulations adopted and new ranking systems introduced. The number of the armed forces was reduced by more than 1 million and new weapon systems developed.

However, considering the country's natural conditions and the requirements of its security, China's national defence capabilities are rather weak compared with other countries.

Air Force Expands Foreign Trade Relations

OW0402142193 Beijing XINHUA in English
1235 GMT 4 Feb 93

[Text] Beijing, February 4 (XINHUA)—The aviation maintenance industry under the Chinese Air Force has established trade relations with more than 30 countries and regions including the United States, France, Russia, Pakistan and Hong Kong.

In 1992, total trade volume stood at over eight million U.S. dollars, the highest in China's history.

Aviation-related trade and services cover repair and refitting of aircraft and engines; export of aviation maintenance, testing and experimental equipment and spare parts; processing of customer-supplied designs and materials and assembly of supplied parts; and contracting for building aircraft repair plants or production lines.

China also provides trade partners with aviation technology and conducts training of personnel.

Moreover, China's aviation maintenance departments export civilian-use products and engages in compensation trade with foreign aviation groups.

Meanwhile, China also imports cutting-edge technology and research developed by foreign aviation industries, as well as advanced maintenance instruments and equipment, in a bid to serve the modernization of the Chinese Air Force.

Economic & Agricultural

Progress in Intellectual Property Rights Viewed

OW0402134793 Beijing XINHUA in English
1330 GMT 4 Feb 93

[Text] Beijing, February 4 (XINHUA)—In the past five years China has passed 80 laws, decisions and supplementary regulations on judicial issues, further strengthening the construction of a socialist democratic legal system, according to the General Office of the National People's Congress.

Laws and regulations made by the seventh National People's Congress and its Standing Committee take up 41 percent of the laws and rules made during the 14 years since 1979, according to the office.

Laws made in the field of economy take up about one-fourth of the total figure for the past five years, reflecting the country's concentration on economic construction and its efforts to speed up legislation on economic activities.

Major legal decisions in this area include amendments to the constitution concerning the private sector of the economy and the transfer of land use rights, and laws on industrial enterprises owned by the whole people, on Chinese-foreign contractual joint ventures and on Chinese-foreign equity joint ventures. Also of note were the amendment to the land-use law and progress in maritime law.

During these five years, many laws concerning the opening policy were also made by the highest legislative body, such as laws on the inspection of import and export commodities, on income tax pertaining to foreign-invested and foreign enterprises, on the quarantine of imported and exported animals and plants, and other administrative and civil laws concerning foreign affairs and foreign nationals.

In the area of intellectual property rights, China adopted the copyright law, revised the patent law, and is now in the process of revising the law on trademarks, and has joined the Universal Copyright Convention, Berne Convention for the Protection of Literary and Artistic Works, the Convention for the Protection of Phonograms, the Madrid Agreement Concerning the Registration of Trade Marks, GATT Intellectual Property Rights Agreement, and signed the Memorandum of Understanding on Sino-American Intellectual Property Rights.

China has passed laws protecting the rights of special groups, including people aged under 18, the disabled, trade unions, women and Overseas Chinese and their relatives. Over the past five years China also adopted the administrative procedural law and revised the law of civil procedures (for trial use), which ensure the litigation rights for citizens.

Also in this period, the seventh National People's Congress passed the Hong Kong Basic Law, which makes the grand concept of "one country, two systems" lawful, a historic creation in itself.

Market Prosperity, Stability To Continue

HK0402154693 Beijing RENMIN RIBAO in Chinese
21 Jan 93 p 2

[Article contributed by the State Planning Commission: "The Market Will Remain Stable and Prosperous—Prospects for Operations and Trends of the Domestic Market in 1993"]

[Text] China's domestic market in 1992 continued to maintain the growth which started since the latter half of 1990. The volume of retail sales increased by 15 percent over the previous year.

First, the market flourished and both purchases and marketing were brisk. The growth in retail sales was even in the months.

Second, market prices and people's consumption mentality remained basically stable. In March 1992, the state further increased the purchase price of grain but there were no fluctuations in the market.

Third, the government at all levels strengthened the building of circulation facilities last year. The country had 3,000 markets more than the 1991 yearend period. The backwardness of commercial facilities changed gradually and the purchasing conditions of the masses improved somewhat. In investment in fixed assets, the proportion of commerce, catering, supply and marketing, and storage increased somewhat.

The main problems in the market last year included: The rate of cash paid by some localities for purchasing farm produce was low, the state and collective wholesale enterprises failed to increase their economic efficiency, social group purchases increased excessively and remained at a high level, further efforts were required to readjust the product mix, and the cost of living indices in large and medium cities was high.

The macroeconomic environment facing the market for 1993 consumer goods contain gratifying factors as well as worries. The favorable conditions include:

First, besides cotton output which was reduced because of disasters, output of grain, edible oil, meat, fruit, and aquatic products in 1992 remained the same or surpassed the level of the previous year, providing a reliable material guarantee for the development of the market in 1993.

Second, the environment for purchase will further improve. The development of the tertiary industry and the establishment and improvement of the commodity market, the market for means of production in particular, will offer a favorable guarantee for the development and improvement of a commodity market.

Third, the demand for social consumption will continuously increase. The workers' total payroll is likely to increase by over 10 percent this year and the peasants' incomes will continue to increase.

Fourth, prices will be stable and hikes will be kept within 6 percent.

Viewed from the above analysis, the environment for market development in 1993 is good on the whole. It is estimated that sustained stability and prosperity will continue in the market throughout the year. The volume of retail sales will increase by around 16 percent over 1992.

To go a good job of this year's market, it is necessary to strengthen macrocontrol and regulation, maintain a balance of the national economy, particularly strengthen macrocontrol and regulation over credit and currency issue, and prevent a overheated economy.

Mutual Funds Increase To Back Up Economic Boom

*OW0402154593 Beijing XINHUA in English
1510 GMT 4 Feb 93*

[Text] Beijing, February 4 (XINHUA)—In a bid to ease a fund shortage confronting the country's economic development and to improve the capital structure of the fledgling securities market, China plans to increase the amount of mutual funds issued to the public this year.

According to sources from the People's Bank of China (PBC), which is authorized to monitor the development of mutual funds, the PBC will decide the total amount to be floated in light of actual demand and conditions. Though the bank officials declined to specify the exact figure, they said this year's issuance would surpass last year's level, which stood at around one billion yuan.

Mutual funds emerged in China a couple of years ago on a trial basis. So far the country has only six specialized companies managing the business. The six companies are stationed in Shenzhen, Shanghai and Shandong Province.

The PBC sources said this year the experiment would be extended to more cities and areas. Moreover, PBC is considering issuing mutual funds in foreign currencies to provide investment opportunities to overseas investors.

The sources predicted a brisk market this year for investment funds.

"Internationally accepted investment practices have found favor with China's broad masses as they secure greater economic returns and are less risky than stock trading," said one PBC worker. He added that China still has great potential for expansion in the area.

To standardize mutual fund management, the central bank drafted a regulation and has submitted it to the State Council for approval.

Chen Junsheng Urges Lightening Peasant Burdens

*HK0502001893 Beijing NONGMIN RIBAO in Chinese
17 Jan 93 p 1*

[By staff reporter Zeng Yesong (2582 2814 2646) and GUANGMING RIBAO reporter Zheng Xiaofeng (6774 4562 2800): "After Listening to an Account of Rural Work in Some Provinces, Chen Junsheng Calls for Doing Well the Work of Cashing IOU Certificates and Lightening the Peasants' Burdens"]

[Text] While attending the meeting in Yanan marking the 50th anniversary of the double-support movement, State Councillor Chen Junsheng listened to the reports submitted by the people in charge of provinces, municipalities, autonomous regions, and State Council departments concerned on the implementation of the decisions of the Wuhan forum of six provinces on rural work and the State Council's telephone and television conference and made an important speech on implementing the spirit of General Secretary Jiang Zemin's and Premier Li Peng's talks on agriculture and agricultural work and doing a good job of the current rural work. He pointed out: Protecting the peasants' enthusiasm for growing grains is a major issue of fundamental importance in consolidating the strategic position of China's agriculture and developing agriculture in a sustained and steady way. This being the case, we should carry out, through to the end, the work of solving the problems of issuing IOU certificates and imposing overburdens on the peasants. On no account should we act on impulse in this regard.

Chen Junsheng said: The party general secretary personally went to the rural areas to conduct investigations and presided over a forum on rural work, and at the same time, the premier held a telephone and television conference to make arrangements for rural work. This showed that the party Central Committee and the State Council attached great importance to rural work. The current agricultural and rural situation is very fine but there are many problems facing us which should not be overlooked. To sum up, one is the current problem. The problems of issuing IOU's to the peasants when they sell their grain and of imposing overburdens on them badly need a solution. The other problem is how, in the long run, to protect the peasants' enthusiasm for grain cultivation in the predominantly grain growing areas. What needs to be solved urgently is to cash IOU's in the peasants' hands and lighten their burdens. If IOU's are not cashed and the burdens are not lightened, agriculture as the national economy's foundation will be out of the question.

Chen Junsheng emphatically pointed out: All localities and departments should implement the instructions of the leading comrades of the party Central Committee and the State Council through to the end and on no account should they relax their efforts in this regard. All IOU's should be cashed. The issue of cashing IOU's has a bearing on the relations between the party and the

people and between the cadres and the people. Failure to do so will lower the prestige of the party and the state and that of the governments at all levels as well. Therefore, all localities should make every effort to ensure the work's success. Chen Junsheng said: There are two types of IOU's. One is those which are in the peasants' hands and the other is those which are received from the peasants and currently held by various departments. Above all, the first type should be cashed. He said: To cash IOU's, the central bank called bank governors of the nine prominently grain producing provinces to a meeting in Beijing, and in accordance with the needs of various provinces, funds had been allocated to them. If the IOU's are still not cashed, that will not be the central authorities' problem. If a locality does not have adequate funds, it is encouraged to cash the peasants' IOU's by discontinuing undertaking several projects and building several development zones. Currently, some localities do not have money to cash IOU's but they keep on undertaking new projects. Dozens of mu of good cultivated land in the suburban areas are occupied for those purposes. Formalism prevails. Money is spent buying large amounts of red cloth and people are called to queue with several people standing in each row for foundation stone laying and ribbon cutting ceremonies.

At the report-back meeting, Chen Junsheng particularly dealt with the problem of the peasants' burdens. He pointed out: If no vigorous efforts are made to solve the problem of overburdens on the peasants, this will not only dampen the peasants' enthusiasm for production but also adversely affect their means of livelihood. We have learned of serious cases in which peasants in some localities died of overburdens. The details of some cases were very serious. Currently, some local leaders have a quite inadequate understanding of this matter. After NONGMIN RIBAO exposed a case in which a peasant killed himself because of overburden, some leaders were worried that this would chill the enthusiasm of the cadres at the grass-roots level in the rural areas. This view is wrong. Covering up problems will only aggravate and sharpen the contraction between the cadres and the people and ignite greater resentment among the people against the cadres. This is not a genuine way to cherish our cadres. Some practices of improper fund raising and apportionment of expenses are ordered from the higher-ups and therefore, the cadres at the grass-roots level are not to blame. Solving the problem of overburdens on the peasants is also the demand of the grass-roots level cadres in the rural areas. Once the problem is exposed, the people should not regard it as one with the cadres at the grassroots level. Therefore, we cannot say that exposing problems will dampen the enthusiasm of the cadres. On the contrary, it is for the sake of protecting the enthusiasm of the cadres that we have made vigorous efforts to solve the problem of overburdens on the peasants.

How should the peasants' overburdens be effectively lightened? Chen Junsheng spoke on three suggestions: First, we should solve the problem thoroughly rather

than act on impulse. In the past, there was a bad practice: People were keen on making a big din in doing something, talking much but doing little. Now great stress should be placed on solving practical problems. Once a telephone conference is held by the higher-ups, the subordinate organizations should not necessarily follow suit level after level down, and in the end, the masses of the people get no substantial benefits. Second, the cases of hounding people to death should be seriously handled, without any single case being left unsettled. Those cases which were formerly handled leniently should be reviewed and handled seriously. We should have a sense of justice and true feelings in handling the cases of hounding peasants bearing overburdens to death. If something goes wrong in this regard, provincial authorities should offer suggestions for handling the cases. Any case handled should be reported and carried in widely circulated notices. We should not be afraid of making domestic shame public. Third, every county should make serious efforts to check up on various burdens and let the peasants see the real results of its effort to lightening burdens. The Ministry of Agriculture, which was empowered by the State Council to supervise and manage the peasants' burdens, is encouraged to conduct experiments in two selected counties in the country and it is suggested that every province to do so in one selected county and strive to genuinely solve the problem of overburdened peasants. Every county should clearly check up on the apportionments of expenses to raise funds. Apportionments of expenses to raise funds 5 percent higher than last year's per-capita net income should be cut off. Localities should proceed from actual conditions and do things within the limits of their own financial resources. If they do not have money, they should not launch new projects or put them off. They should not easily apportion expenses to get the money needed. Not only should the excessive burdens the peasants be scrapped but in some cases, money should also be returned to them. All the so-called target-achieving [da biao 6671 2871] activities should be halted.

In view of the current readjustment of the agricultural production structure, Chen Junsheng pointed out: The readjustment of the agricultural production structure must proceed from actual conditions and have a correct direction to follow. It must not be carried out blindly. In restructuring agricultural production, considerations should be given to both immediate and long-term interests as well as both market demands and local realities or to all aspects of agricultural production. Taking immediate interests exclusively into account, some localities have blindly readjusted the structure of agricultural production. This is a dangerous way of doing things. For example, some counties in south China developed fish ponds on a large scale. With 60,000 dan of fish unsalable last year, yet there is a county that keeps on expanding its fish ponds. A locality in north China planted fruit trees in the cultivated land on a big scale. This means rigidly readjusting the structure of agricultural production. There will be no way to grow grains for the time being

even if it wants to do so one day. If every corner of a locality is covered by fish ponds or orchards and it has to ship in grain from other places, where should it go and ask for grain shipments? The state also cannot bear these consequences. He said: The correct way to readjust the agricultural production structure is achieving stability, rigidity, regulation, and flexibility. By stability, we mean keeping grain production stable and by rigidity, we mean protecting the existing cultivated land, which should not be occupied and used for purposes other than farming. With this as a premise, cultivated land should be geared to the needs of the market. What and how much to plant can be regulated in line with actual conditions. Hence,

there is a flexible regulation. Chen Junsheng emphatically pointed out: Some localities lack a comprehensive understanding of the development urged by the State Council of a high-output, high-quality, and high-efficiency agriculture and pay one-sided attention to immediate interests to the neglect of the long-term ones. We should comprehensively implement the State Council's high-output, high-quality, and high-efficiency principle.

Chen Junsheng also spoke on some constructive suggestions for the fundamental measures to be taken to protect the enthusiasm of the peasants.

East Region

Anhui Reports Success in Family Planning Work

OW0402013093 Hefei Anhui People's Radio Network in Mandarin 1100 GMT 26 Jan 93

[From the "Provincial Hookup" program]

[Text] At the beginning of the new year, news from the family planning front was good. According to a computerized random survey among 1 million people in the province, Anhui's birth rate in 1992 accounts for 1.876 percent, or is 0.413 percent lower than the 2.289 percent of the state's quota assigned to the province. Anhui's 1992 birth rate is also lower than its 1991 record of 2.119 percent by 0.243 percent. With such results, Anhui has overachieved its annual family planning goal and successfully met the work requirement prescribed by the provincial CPC committee, provincial people's congress, and provincial government that its 1992 birth rate should be less than its 1991 record by 0.1-0.2 percent.

The statistics also show that the parity structure in 1992 became more rational, with first-births increasing, second-births decreasing, and multibirths markedly dropping. These results show that Anhui's family planning work in 1992 is better than it was in 1991—a year in which the work quota was also fulfilled. This achievement has laid a foundation for comprehensively achieving family planning in the Eighth Five-Year Plan.

The reasons for the success of the 1992 family planning program can be attributed to the concerted efforts of party committees and governments at all levels, to the hard work of cadres who are in charge of family planning work, and to couples of child-bearing age who have responded to the call of the party and the government by carrying out the family planning policy. Indeed, this is a hard-earned achievement.

At present, Anhui still faces a peak birth period, with its birth rate record merely meeting or approaching the national standard. Leaders at all levels should clearly understand that the population situation in the province is still severe. They should not relax their efforts. They should refrain from being unrealistically optimistic. Continuous efforts should be made to ensure better achievements in 1993.

Anhui Develops Posts, Telecommunications

OW0502042993 Beijing XINHUA in English
0138 GMT 5 Feb 93

[Text] Hefei, February 5 (XINHUA)—East China's Anhui Province witnessed substantial development in posts and telecommunications last year.

In 1992, the province's posts and telecommunications realized a business volume of more than 600 million yuan (about 105 million U.S. dollars), an increase of 43.5 percent over the preceding year, which is 1.5 percent higher than the country's average.

The province added more than 110,000 telephone lines last year, one half of the total added in the previous five years.

With the accelerated development of the national economy, the province met with an increasing social demand for more efficient communications facilities.

To meet the demand, the province decided to fulfill the target of telecommunications development in the 9th Five-Year Plan (1995-2000) ahead of time.

The province stepped up its construction of program-controlled and automatic telephone facilities and opened advanced program-controlled telephone exchanges in 14 of its rural counties.

In infrastructure construction, the province last year finished nine optic-fiber projects totalling 600 km and five digital micro-wave projects totalling 700 km; it increased its long-distance telephone service by nearly 3,000 lines; portable telephone networks and paging services were opened in nine areas and cities in the province.

Last year, the province installed more than 80,000 urban telephones, which exceeded the total installed during the Seventh Five-Year Plan period (1986-90), and about 60,000 long-distance telephones and 21,800 pagers.

In addition, the number of portable telephones in the province reached nearly 2,000 within three months.

Market Economy Stimulates Fujian's Agriculture

OW0302112093 Beijing XINHUA in English
0907 GMT 3 Feb 93

[Text] Fuzhou, February 3 (XINHUA)—East China's Fujian Province witnessed rapid agricultural development through the implementation of the contract responsibility system in the 1980s.

It is expected to realize another great leap forward in the 1990s through the share-holding system, and the integration of trade, industry and agriculture in the course of agricultural modernization and combination of domestic agriculture with international markets.

As one of the earliest zones to pilot the implementation of comprehensive rural reform in China, the share-holding system began to emerge in rural Fujian in the 1980s and has developed rapidly in southern coastal areas of the province.

At present, more than 40 percent of the province's rural enterprises are implementing the share-holding system, which made great contributions to the realization of 50 billion yuan in terms of the total output value of Fujian's rural enterprises in 1992.

In addition, rural share-holding enterprises have spread from coastal areas to inland areas. These enterprises not only cover industry, but also agriculture, forestry, animal husbandry, sideline industries and fisheries.

It is predicted that the share-holding system will be carried out in all the rural enterprises in Fujian in the next two years, in the course of which more than two billion yuan will be collected from local people.

Longhai County in southern Fujian is famous for producing mushrooms. In the past low prices led to the stockpiling and rotting of mushrooms, which brought great losses to the local farmers.

However, last year farmers expanded their cultivation of mushrooms to six million sq m [square meters], producing more than 40,000 tons and earning over 100 million yuan.

Local officials attribute this success to the rapid development of the agricultural-product processing industry and the development of markets.

In recent years the county has set up more than 1,600 processing enterprises engaged in making tinned food and pickles, and quick-freezing and dehydrating local products.

Since 1991 Fujian has held three fairs on comprehensive agricultural development and various exhibitions of agricultural products to encourage the trend toward a market economy.

So far, the province has set up more than 1,700 agricultural and sideline products markets and has started the construction of more than 80 various specialized markets.

Fuding County in the northeastern border area of Fujian is a neighbor of Zhejiang's Wenzhou County, which is famous for its developed rural enterprises.

Using this advantage, the county invested 10 million yuan in the establishment of 13 specialized markets and encouraged more than 20,000 farmers to conduct cross-border trade. Last year the total cross-border trade volume stood at over 800 million yuan-worth.

Statistics show that the per capita income of Fujian's farmers climbed to 970 yuan in 1992 from 850 yuan in 1991.

Moreover, the reform and opening up have also pushed Fujian's agricultural production to the international market, and the export of rural commodities has become one of the main factors in the province's foreign trade.

At present, the province has more than 4,000 export-oriented rural enterprises, exporting more than a dozen agricultural products, including prawns, asparagus, mushrooms and tea. The export volume of these products has exceeded 10 million U.S. dollars-worth each.

In 1992 the total rural export value reached 8.62 billion yuan, up 65 percent over 1991; at the latest provincial agricultural products fair transactions worth a total of 1.71 billion yuan were recorded, with 180 million U.S. dollars being export earnings.

While exporting its own rural products to the outside, the province has speeded up the import of foreign funds, advanced technologies and equipment.

Last year Fujian used more than 1.5 billion U.S. dollars in foreign funds to develop its agriculture. These funds cover foreign investments and loans from foreign governments and the World Bank.

It imported more than 3,000 improved crop varieties and a great number of advanced techniques and equipment.

Co-operating with Taiwan businessmen, 10 counties and districts of Zhangzhou city in southern Fujian have all established experimental bases for improved varieties of crops imported from Taiwan.

The city has approved more than 200 Taiwan-funded agricultural enterprises using over 40 million U.S. dollars, and imported more than 40 improved varieties from Taiwan. This produced over one billion yuan in terms of export value in 1992.

Liu Qingrui, an official in charge of the province's agricultural and industrial development, said that the development of the export-oriented rural economy will be the main task in the adjustment of the province's rural economic structure in the near future.

Liu said that by the end of the Eighth Five-Year Plan period (1991-1995), 20 percent of Fujian's rural economy will be export-oriented.

Figures on 1992 Fujian Foreign Trade, Exports

HK0402105093 Fuzhou Fujian People's Radio Network in Mandarin 1100 GMT 1 Feb 93

[Text] Last year, Fujian did very well in the utilization of foreign capital, and direct foreign investment, in particular, set off another high tide. A total of 3,113 contracts with foreign businesses were signed with a total contracted foreign capital of \$6.4 billion, with the actual foreign investment coming to \$1.4661 billion. Compared with last year's corresponding period, there was a two- to four-fold growth rate in the amount of new contracts on direct foreign investment signed each month and there was also a one- to three-fold growth rate in the actual utilization of direct foreign investment. Moreover, they were becoming larger and upgraded. Compared with various coastal provinces and cities, according to available statistics for the period from January to November last year, Fujian ranked third in the absorption of the amount of foreign capital, coming next to Guangdong and Jiangsu; the average amount of foreign capital in items reached \$1.983 million, ranking first among 12 coastal provinces and cities, with Guangdong ranking second and Shanghai third. From January to November last year, the province had a total actual foreign capital input of \$1.2211 billion, ranking second and coming only next to Guangdong and followed by Jiangsu and Shandong. The actual rate of incoming

capital [words indistinct] was 23.2 percent, ranking first among coastal provinces and cities.

According to another report, last year the province's foreign trade and exports exceeded \$4 billion, with a 44.8-percent rate of export growth, far exceeding the national average and the rate of various other coastal provinces, and ranking first in China. In this regard, of the 12 coastal provinces and cities, Fujian could retain its number six status in terms of the absolute rate.

Jiangxi Elects Governor, Vice Governors

OW0502111793 Beijing XINHUA Domestic Service in Chinese 1013 GMT 5 Feb 93

[Text] Nanchang, 5 Feb (XINHUA)—At the first meeting of the Eighth Jiangxi Provincial People's Congress which closed today, Mao Zhiyong was elected chairman of the Jiangxi Provincial People's Congress Standing Committee; Wu Guanzheng was elected provincial governor; and Shu Shengyou, Zhou Zhiping, Shu Huiguo, Zheng Liangyu [6774 5328 3768], Huang Zhiquan, Zhang Yunchuan, and Huang Maoheng [7806 2021 5899] were elected provincial vice governors.

Liu Fangren Elected Jiangxi CPPCC Chairman

OW0402103593 Beijing XINHUA Domestic Service in Chinese 0712 GMT 4 Feb 93

["Liu Fangren Elected Chairman of the Jiangxi Provincial Committee of the Chinese People's Political Consultative Conference" —XINHUA headline]

[Text] Nanchang, 4 Feb (XINHUA)—The First Session of the Seventh Jiangxi Provincial Committee [name of the meeting as received] today elected Liu Fangren [0491 2455 0088] its chairman.

Shanghai Congress Standing Committee Meets

OW0402135793 Shanghai People's Radio Network in Mandarin 1000 GMT 3 Feb 93

[From the "News and Weather" program]

[Text] The Ninth Shanghai Municipal People's Congress Standing Committee held its 41st meeting this afternoon. The meeting participants decided to convene the first session of the 10th Shanghai Municipal People's Congress on 16 February 1993.

The meeting participants heard a report given by Gao Wenkui, deputy secretary general of the municipal people's congress, on matters related to the convening of the first session of the 10th Shanghai Municipal People's Congress and preparations made for this.

Gao Wenkui said: The first session of the 10th Shanghai Municipal People's Congress will be an important event in Shanghai people's political life. It will discuss and decide Shanghai's tasks and goals for 1993 and for the

next three years. It will also elect the municipality's new leading personnel of state organs.

The standing committee meeting, the last before the First Session of the 10th Shanghai Municipal People's Congress, also heard and discussed the draft measures on implementing the Law of Deputies, the Law of Compulsory Education, and the Law of Protecting the Handicapped and a report on their revision. It also discussed and approved a report on examination of the credentials of deputies to the 10th Shanghai Municipal People's Congress.

Ye Gongqi, chairman of the municipal people's congress, presided over the meeting.

Shanghai Deepens Industrial Management Reforms

OW0302134593 Beijing XINHUA in English 1236 GMT 3 Feb 93

[Text] Beijing, February 2 (XINHUA)—Shanghai, China's largest metropolis, has made major achievements in reform of management mechanisms in most of its state-owned industrial enterprises, according to a recent issue of the Shanghai-based "LIBERATION DAILY" [JIEFANG RIBAO].

So far, 390 state-owned large and medium-sized industrial enterprises, more than half of the city's total, have participated in this reform drive; about 1.4 million workers in 1,037 enterprises have participated in such measures as the contracted labor system.

Under the pre-reform, central planning system, workers were guaranteed jobs and salary levels for life regardless of individual performance.

In the past few years, the Shanghai Municipal Government was the main force guiding reforms. But now, enterprises themselves are free to take the initiative.

The city has carried out 10 primary reform experiments, which include adopting management mechanisms employed in foreign-funded enterprises, the shareholding system and an overall contracted responsibility system.

At present, nearly 90 enterprises enjoy a preferential, low income tax policy. They have also introduced a new, simplified accounting system, which has reduced accounting forms from over 20 to only three; 245 enterprises are expected to form connections with world accounting systems.

The municipal government has begun to replace direct administration with more limited macro-controls and more efficient service.

Last year, industrial enterprises in Shanghai realized a 15 percent increase in total output value.

Private Economic Sectors Expand in Shanghai

HK0402085093 Hong Kong ZHONGGUO TONGXUN
SHE in Chinese 0949 GMT 24 Jan 93

[Text] Shanghai, 24 Jan (ZHONGGUO TONGXUN SHE)—Shanghai's individual economy recently experienced a breakthrough development after fluctuating since 1988. According to statistics compiled by the Shanghai Industrial and Commercial Bureau, by the end of 1992 individual industrial and commercial households topped 120,000, with 180,000 people involved in this business, a respective increase of 10.7 and 9.8 percent over the previous year. The number of private enterprises increased to 4,213, a growth of 84 percent. There were 5,537 investors employing 58,612 people. Individual and private economic sectors in the entire city had registered capital of 729 million yuan and output value of 669 million yuan, accounting for .28 percent of the city's gross industrial output value. The retail sales of their commodities in society accounted for 4.51 percent. Individual and private economic dealers accounted for 1.83 percent of the city's total population. It has been estimated that there will be greater development of individual and private economic sectors after the introduction of a new open policy this year.

Shanghai Lifts Restrictions on Private Sector

HK0402114793 Hong Kong ZHONGGUO TONGXUN
SHE in Chinese 0951 GMT 24 Jan 93

[Text] Shanghai, 24 Jan (ZHONGGUO TONGXUN SHE)—The Shanghai Industrial and Commercial Bureau recently adopted a 19-point policy lifting restrictions on the individual and private economy, which include:

First, the range of applicants has been expanded. Scientific and technological personnel may apply for a license to engage in secondary industry. Individual businessmen may carry out joint operations with the state or collective units.

Second, the application procedures have been simplified. A person may apply simply by writing a letter of intent and presenting his identity card. The procedures for revoking a license are handled by the village or neighborhood.

Third, the scope of business has been further expanded. Apart from crude oil, vehicles, coal, and fuel, restrictions on other fields have all been lifted.

Fourth, the means of operation have been further expanded, which include retail or wholesale. However, it is necessary to examine the amount of capital. The minimum amount of working capital will be 30,000 yuan for an individual businessmen and 100,000 yuan for private enterprise.

Scientific Workers Start Enterprises in Shanghai

OW0402161793 Beijing XINHUA in English
1604 GMT 4 Feb 93

[Text] Shanghai, February 4 (XINHUA)—There are 22,000 more scientific workers in Shanghai, China's largest industrial and commercial hub, who have left their research institutes and opened their own businesses since last year.

This makes the total number of such people 42,000. They have established 3,600 scientific enterprises with an annual output value of three billion yuan (526.3 million U.S. dollars).

Of these people 11,000 are senior scientists and technicians. Their enterprises have made it easier for research achievements being applied to production.

A survey carried out among 600 enterprises opened last year shows that they have put more than 600 items of technical achievements into production within one year, making a total output value of over 100 million yuan.

Many of these scientific workers have become outstanding entrepreneurs who have a good command of technological knowledge.

Shanghai Universities Serve Economic Development

OW0502134893 Beijing XINHUA in English
0846 GMT 5 Feb 93

[Text] Shanghai, February 5 (XINHUA)—Institutions of higher learning in Shanghai, China's leading industrial center, are presently conducting research in subjects related to economic development.

A recent survey shows that 86 percent of research subjects, 85 percent of scientific and technical forces and 84 percent of funds invested in research at these institutions are connected with economic and social development.

During the construction of 14 key industrial projects, these institutions entered into contracts to engage in 237 key task subjects, which accounted for one third of the total.

Shanghai's 50 universities and colleges have played an important role in working on projects involving foreign technical expertise, upgrading traditional industries and applying sophisticated technology for commercial use.

One example is a walking drilling platform developed jointly by the Shanghai Jiaotong University and the Shengli oilfield administration.

With the platform, oil workers have sunk seven wells and discovered a large oilfield. The platform was listed as one of China's ten key scientific achievements in 1992.

While cooperating with industrial enterprises in developing high-tech products and improving product quality,

Shanghai's higher-learning institutions have also concluded contracts on scientific and technical cooperation with a number of suburban counties to help boost agricultural production.

Zhejiang's Li Zemin on Tasks for Agriculture

OW0102135993 Hangzhou ZHEJIANG RIBAO in
Chinese 16 Jan 93 pp 1, 3

[Unattributed report: "Li Zemin Pointed Out at a Discussion Meeting on Agricultural and Rural Work Held by the Provincial Party Committee: Implement the Guidelines of the Party Central Committee in Light of Zhejiang's Actual Situation and Pay Good Attention to Seven Tasks in Order To Maintain a Steady Development in Agriculture"]

[Text] The provincial party committee held a discussion meeting on agricultural and rural work yesterday afternoon. Leading members of the provincial party committee, the provincial people's congress, and the provincial government, including Li Zemin, Ge Hongsheng, Shen Zulun, Liu Feng, Wang Qichao, Xu Xingguan, Liu Xirong, Li Jinming, Le Debao, Wan Xueyuan, Cai Songyue, and Long Anding attended the meeting. Ge Hongsheng, deputy secretary of the provincial party committee, presided over the meeting. Li Zemin, secretary of the provincial party committee, made a speech on ways to implement the guidelines of the party Central Committee and further strengthen agricultural and rural work in the province.

Li Zemin said: Party committees and governments at various levels should seriously study the important speeches made by central leading comrades, correctly analyze the rural situation, and further unify their thinking and understanding. The party Central Committee and the State Council recently made an important decision on strengthening agriculture and rural work, which has provided practical guidance for the whole party and the entire society in understanding the foundation position of agriculture and has a historical significance in maintaining a steady development of agriculture under the new situation. We must take the important speeches of Comrades Jiang Zemin and Li Peng as our guiding principle and unify our thinking in three aspects in light of the actual situation in Zhejiang. First, it is necessary to firmly establish the thinking that agriculture is the foundation and put agriculture in a primary position in tackling economic work. Leading cadres at various levels must fully understand the importance and necessity of strengthening agricultural work under the new situation. The foundation position of agriculture must not change at any time. We must not overlook agriculture because of the decrease of agriculture's proportion in the entire national economy, we must not sacrifice agriculture in order to develop secondary and tertiary industries, and we must not slacken our efforts in leading agriculture and rural work because of the liberalization of grains and peasants' entering the market. Second, it is necessary to firmly adhere to the

attitude of seeking truth from facts, and correctly analyze the current agricultural and rural situation. The present agricultural and rural situation in this province is generally good. We have reaped a relatively good harvest in agricultural production despite serious natural disasters, village and town enterprises have been developing at a high speed, and output value and economic results have been increasing simultaneously. Peasants in this province have further increased their income, supply of agricultural products is adequate in the market, the prices of grains and supplementary food products are stable, and the masses are relatively satisfied with the "shopping basket" program. We have strengthened infrastructure construction works for agriculture and greatly accelerated the building of key construction projects. We have achieved a major breakthrough in rural reform work, and have made satisfactory progress in releasing the control of grains, adjusting production structure, and in "developing a highly efficient agriculture that provides greater and better yields." While affirming the excellent situation in rural areas, we should also soberly see the new situation and new problems emerged in the course of reform and development. Some of the current problems in the rural areas pointed out by the party Central Committee also exist in this province to a varying degree. We must not treat those problems lightly. We should follow the guidelines pointed out by the central leading comrades, analyze significant problems in light of actual situation in this province, study policies to solve those problems, and seriously implement those policies. Third, it is necessary to proceed from the reality of this province and implement the guidelines of the party Central Committee in a creative manner. The provincial party committee and the provincial government last year made a decision on liberalizing the procurement, marketing, and pricing of grains in an all-around manner; actively and properly adjusting the structure of agricultural production; and "developing a highly efficient agriculture that provides greater and better yields." The basic purpose of the decision is precisely to strengthen the foundation position of agriculture, invigorate agricultural production and operation, protect and rouse peasants' enthusiasm for production, ensure a steady development of agriculture, and revitalize the rural economy in an all-around manner. The basic starting point of this major policy decision is to work for the fundamental interests of the peasants in line with the spirit of the 14th CPC National Congress, and is in accord with the guidelines of the important speeches made by General Secretary Jiang Zemin and Premier Li Peng. We must firmly implement the decision. We must not separate the decision of the provincial party committee and the provincial government from the guidelines of the party Central Committee. We must never waver in our determination to deepen reform because of the emergence of some problems, still less go backward. The fundamental point of departure of this major policy decision is the fundamental interests of peasants. It conforms to the guidelines of the 14th CPC National Congress and is identical to the guidelines

contained in the important speeches of General Secretary Jiang Zemin and Premier Li Peng. We must resolutely implement this policy decision. We must not separate the policy decision of the provincial party committee and the provincial government from the guidelines of the central authorities. We must not waver in our resolve to deepen the reform just because some problems have emerged; still less should we retreat. In implementing the major plans of the party Central Committee and the State Council, various areas must unify the implementation of the 10 major measures proposed by the central authorities and the measures set by the provincial conference on rural work, and do everything possible to ensure implementation. Various areas should talk less and do more solid work. They should not stop advancing following the issuance of the general call and the formulation of the general plan. Otherwise, they will miss the opportunity.

Li Zemin said: In implementing the 10 major measures of the party Central Committee and the State Council for preserving the steady development of agriculture, we should proceed from Zhejiang's reality. First, we must effectively solve some major problems which need to be solved urgently in rural areas. In accordance with the problems mentioned in the speeches of the central leaders, we should strive to solve whatever problems that exist, solving the more serious ones first. Second, we must lose no time in implementing the measures proposed by the provincial party committee and the provincial government at the provincial conference on rural work. We must do deepgoing and meticulous work, study the new situations, and solve the new problems in the course of implementing these measures. In the present circumstances, we must give importance to doing the following seven tasks well:

(1) Strengthening guidance to help peasants adjust their agricultural production structure. In adjusting agricultural production structure, the key is adjusting early rice. This is an important point we are trying to grasp, but it is also a difficult point. We must unswervingly continue to grasp grain production and vigorously grow more grain crops. In adjusting the growing structure in arable land, we must continue to give priority to grain crops. We must further emancipate our minds, understand the importance of growing grain, make good use of our agricultural resources, expand the sources of foodstuffs and nutrition, produce a greater quantity of high-quality agricultural products, and increase the supply of essential products so as to satisfy people's needs for various varieties of good-quality and nutritious foods. In keeping with changes in the food consumption pattern, relevant departments should thoroughly study and formulate plans and measures for the development of food production until the year 2000. Considering the province's basic conditions characterized by a large population and scarce land, we should maintain the fairly high utilization rate of arable land and the rather high multiple cropping index. We should preserve the main triple cropping structure. We should not wantonly expand the

acreage of single-crop rice, nor should we abandon wasteland. With these considerations in mind, we should allow peasants to make adjustments in light of local conditions. Party committees and governments at all levels should urge grain departments to continue to serve as the major grain distribution channels. They should actively purchase and sell early rice. An over-riding task is to sign the 1993 grain procurement contracts at an early date, to implement the three-link policy, and to set minimum protective prices for early rice contract procurements to maintain peasants' interest in growing grain. Provincial authorities are studying the possibility of delivering all the chemical fertilizers assigned by the state to our province for grain procurement purposes. Materials supplied last year under the three-link grain procurement policy should be delivered in accordance with the central directive on compensating for inadequate deliveries.

(2) Actively studying the methods of encouraging peasants to compete in the market. First, we should develop markets. Second, we should implement a contract system for buying and selling farm produce. Third, we should set up large numbers of key enterprises that function as a link between the marketplace and peasants. Fourth, we should strengthen guidance by supplying relevant information.

(3) Enthusiastically implementing the strategy of promoting agricultural development through science and education. First of all, we should accelerate the popularization of fine strains and vigorously develop industries to process farm produce. Moreover, we should train various types of managerial personnel for the countryside, maintain the ranks of agrotechnicians, improve the technical training of agrotechnicians, update relevant know-how, develop adult education, and improve the training of peasants.

(4) Further increasing investment in agriculture. First, we should secure the full amounts of various funds currently used as farm supports in accordance with relevant central and provincial provisions. Peasants pay for contracting land by delivering farming contract funds to rural cooperative economic organizations. These payments should not be regarded as additional financial burdens on the peasantry; they should be made in accordance with contractual provisions. Second, we should make effective and adequate use of funds allocated as farm supports. In keeping with the need to develop "a highly efficient type of agriculture that provides better and greater yields," we should redirect our funds primarily toward the construction of farming infrastructure, the development and promotion of fine strains, the processing of farm produce, and the socialization of agricultural services. Third, we should tap new sources of investment in agriculture. Fourth, the state should continue to aid the development of agro-industries by increasing the production of chemical fertilizer, farm chemicals, plastic sheets, and other means of agricultural production. Fifth, the provincial authorities should make special arrangements for some

of the materials, such as steel products and cement, that are needed for disaster relief operations, antipoverty efforts, and water conservancy projects. We should wage a long-term battle against poverty.

(5) Earnestly solving problems that have caused strong resentment among peasants. Currently, certain problems that are detrimental to peasants' interests indeed exist in some parts of our province; these problems have caused strong resentment among peasants. Failure to promptly resolve these problems will seriously dampen peasants' enthusiasm for production, affect the party and government's relations with the people, and undermine social stability. To effectively protect peasants' interests, party committees and governments at all levels should adopt effective measures to earnestly and swiftly solve these problems. First, they should alleviate the burden on peasants by firmly halting the arbitrary practice of collecting contributions and funds. The main solution lies in correcting the "three arbitrary practices" and in remedying industry-wide malpractices. Building on the results of their previous reviews, relevant provincial departments should examine various financial contributions by peasants and firmly abolish unreasonable fees. From now on, all charges that will add to the peasants' burden must be reviewed by provincial agricultural departments and approved by the provincial government; otherwise, they will be invalidated. Second, party committees and governments at all levels should increase the supply of agricultural production means and stop arbitrary price increases. This year, the provincial authorities will continue to allocate, according to plan, farmland chemical fertilizer and plastic sheeting used to cover nursery beds of early rice; they will also supply these materials at preferential prices. Agricultural production means that are subject to planned allocation must be supplied at the prices set by the provincial government; no localities or departments may arbitrarily increase the prices. Peasants should be given all the benefits that are due them. Third, party committees and governments at all levels should fight, in accordance with the law, against the production and sale of imitations of fine strains, fake chemical fertilizer, and counterfeit farm chemicals. They should intensify efforts to inspect law enforcement efforts; promptly solve any problems that they have uncovered in accordance with the law; and investigate the responsibility of competent departments. Fourth, party committees and governments at all levels should take the initiative in caring for the people, and they should move quickly to alleviate the poverty of some people.

(6) Tightening land-related law enforcement efforts and protecting arable land in earnest. A current problem that merits special attention is the revived practice in some localities of indiscriminately occupying arable land, illegally using land, and approving land uses in violation of the law. Driven by its deep concern about the protection of arable land, the State Council successively issued two emergency circulars in the second half of last year. In

accordance with the State Council's directive, the provincial government recently asked provincial departments in charge of land management and relevant affairs to send fact-finding groups to 11 cities and prefectures in the province. Various localities also conducted their own inspections. After studying relevant issues, the provincial party committee and the provincial government have decided to adopt measures to tighten land management for the purpose of effectively protecting arable land. First, they will review land reserved for the construction of various development zones. They will instruct relevant units to immediately return unused land to farming by allowing peasants to till the land.

Second, they will firmly halt the practice of indiscriminately occupying arable land, illegally using land, and approving land uses in violation of the law. In light of the different circumstances, they will take a differentiated approach toward problems discovered during their inspections. It must be reiterated that the authority to review and approve land uses should not be relegated to different levels; the use of land for construction purposes should be reviewed and approved within the limits of authority specified in the Land Law. Third, the provincial party committee and the provincial government will set up basic farmland reserves. Fourth, they will maintain the practice of combining land utilization with land reclamation.

(7) Successfully performing the current tasks of agricultural production and preparations for spring plowing. The current season is vital for our province in terms of winter crop cultivation and management, the wintertime construction of water conservancy projects, and afforestation. The period of preparations for spring plowing is nearing; preparations for end-of-term elections are in full swing. Our schedule is very tight and hectic. Party committees and governments at all levels should learn to "coordinate their actions," make overall plans for various fields of work, reduce the number of meetings, guard against formalism, curtail social intercourse to reserve their essential energies for current agricultural production, and make early preparations for spring plowing in the coming year. As they did over the past two years, agricultural, commercial, supply and marketing, materials, communications, and electric power departments should coordinate and cooperate with each other and make joint active efforts to deliver and supply seeds, chemical fertilizer, farm chemicals, diesel oil, farm machinery, electric power, and other agricultural production means to ensure smooth progress in spring plowing and to lay the foundation for bumper crops this year.

Li Zemin stressed: It is necessary to strengthen leadership of the party and government over agriculture and rural work. In the course of promoting reform, opening up, and economic progress, party committees and governments at various levels must comprehensively and correctly implement the central authorities' line, programs, and policies; take into account the overall situation; make unified plans; and truly list agricultural work

as the top priority over the other economic tasks. It is necessary for the party and government to persistently and jointly handle agricultural work themselves; they should regard such persistent work attitude as a basic policy requirement. They should not slacken such attitude under any circumstances. Agricultural sector and village and town enterprises have close ties; they are mutually complementary to each other's development. When dealing with economic tasks at county and township levels, we should pay equal attention to agricultural sector and village and town enterprises. First, party committees and governments at provincial, city, prefectural, and county levels should respectively conduct an inspection over issues regarding leadership on agriculture and rural work in accordance with the requirements of General Secretary Jiang Zemin's speech. Key leaders of the party committees and governments should lead in organizing cadres of the relevant departments; conduct in-depth studies in rural areas; study the rural situation; listen to peasants' opinions; implement effective problem-solving measures; and realistically solve specific problems. Second, they should strengthen leadership over agriculture and rural work by restructuring and implementing certain measures. Third, they should stabilize rural work and the contingent of cadres at grass-roots level. At present, an extremely busy season for spring plowing and its preparatory work is approaching. The agricultural season awaits no one. We should stabilize the organizations and personnel engaged in the agricultural sector and rural work at county and township levels. We will conduct organizational reform at county level. During the first half of 1993, we will emphatically implement organizational reform at three county- and city-level locations on a trial basis. The province will make further unified programs, after summarizing experiences from these three experiments. At present, various counties and cities should pay attention to and strive to perform well follow-up tasks involving "liquidation, expansion, and merger" of various organizations at township and town levels; smoothen ties among them; specify functions and duties; earnestly and properly transfer and delegate functions; and channel and distribute personnel. Stability at township and town levels is extremely important to agriculture and rural work in 1993. Fourth, we should improve our leading methods under new circumstances. To strengthen leadership over agriculture, we should emphatically study ways to adapt to requirements for developing the socialist market economy, improve leading methods, and change government functions. In light of the overall provincial situation, we should pay attention to two aspects when strengthening leadership over agriculture. On the one hand, we should formulate ways to guide peasants in restructuring, in developing "a highly efficient type of agriculture that provides better and greater yields," and in expeditiously advancing toward the market. And on another hand, we should deal with macroeconomic regulation and control so as to maintain a general balance in total supply and demand of principal agricultural products, including grain at the markets. To strengthen guidance over peasants, we should

mainly use economic leveraging factors and legal means, and do more work in providing data on policies, information, and services for the peasants. When speaking of paying attention to agriculture and strengthening leadership over it, we should no longer return to the old format of rushing the peasants to harvest, to plant, and to deliver grain. In fact, even if we do revert to the old way, it will not work any more—it only aggravates our conflicts with the peasants. As far as specific contents of our actual work are concerned, the government should pay attention to agricultural issues that cannot be resolved by individual peasant households as follows: The government should handle infrastructural construction projects in the agricultural sector; promote science and educational programs to develop the agricultural sector; establish markets for agricultural products; build a system to provide socialized services; enhance legal system and regulations in the agricultural sector; and explore and experiment ways to deepen rural reform. Fifth, we should continually mobilize various industries and sectors to actively support the agricultural sector. This is a very important issue concerning strengthening the agricultural foundation. Various departments should earnestly inspect their respective agriculture-supporting tasks in accordance with the requirements of the central leadership. In the future, party committees and governments should, on the one hand, organize and arrange various agriculture-supporting tasks for relevant departments, and regularly inspect the progress of their implementation. And on the other hand, various relevant departments should further improve their understanding of the agricultural sector's fundamental importance, and enthusiastically support agriculture on their own initiatives. Particularly in the ongoing process of changing departmental functions and forming economic entities, various departments should pay simultaneous attention to attaining both social and economic benefits. They should not only care about earning money and forget their original duties in supporting the agricultural sector. After taking into account their own departmental functions and divisions of labor in an effort to further implement the 10 Measures of the CPC Central Committee and the State Council and the various measures proposed by the provincial rural work meeting in accordance with the requirements of the central authorities, and the provincial party committee and government, various relevant departments at provincial level should study the measures, make specific proposals for their implementation, take immediate and thorough actions, and realistically achieve concrete results.

Xu Xingguan, member of the provincial party committee Standing Committee, also spoke at the meeting. He said: Zhejiang Province's agricultural sector has a very good foundation. Its planting standards, application of science and technology, and level of commercialization are all among the best in China. Nevertheless, while developing the socialist market economy, we also pay attention to the following: First, we should resolutely enhance the agricultural sector and perform well in rural

work. In other words, we should unwaveringly implement the guidelines of the important speeches of Comrades Jiang Zemin and Li Peng on agricultural issues. Second, we should be realistic. We should proceed from Zhejiang's reality; persistently advance along the path of developing "a highly efficient type of agriculture that provides better and greater yields"; gear the agricultural sector toward the market; guide the peasants—through commercializing agricultural products—to expeditiously achieve a relatively well-off living standard. Xu Xing-guan also indicated: Even though he will not be directly in charge of agricultural production in the future, he will still, as in the past, pay attention to and support the agricultural sector, and make fresh contributions to Zhejiang's agricultural development.

Also attending yesterday's meeting were secretaries of party committees at city, prefectural, and county levels; city mayor; commissioners; county heads; key responsible persons of various departments, commissions, offices, divisions, and bureaus at provincial level; key responsible persons of various enterprises and business units in Hangzhou under the provincial jurisdiction; and figures from various institutions of higher learning.

Central-South Region

Economic Crime in Guangdong Increases in 1992

HK0302093893 Hong Kong MING PAO in Chinese
3 Feb 93 p 7

["Special Dispatch" from Guangzhou by staff reporter Lin Tzu-chieh (2651 1311 2212)]

[Text] The amount of Guangdong's serious criminal offenses has been on the rise in recent years. Last year the province's Higher People's Court handled 18,479 criminal cases and sentenced 26,046 offenders. Those involved in serious murder, looting, train and highway robbery, and hooliganism were seriously punished, and those sentenced to death, life imprisonment, or over five years imprisonment accounted for 70.6 percent of the total.

A source disclosed that Mai Zongkai, president of the Guangdong Higher People's Court, will point out in his work report to the provincial people's congress tomorrow that the court will not be softhearted toward serious offenders and will execute those who are to be sentenced to death. For example, Xu Yuanbiao and five other robbers who had formed a gang to commit crime in Guangzhou, Huizhou, and Nanhai, who had used knives to rob more than 30 families, who had tied up more than 90 people, who had injured 16 persons, and who had robbed more than 600,000 yuan and large amounts of goods, were all executed.

Last year the number of serious economic offenders executed or sentenced to life imprisonment and set terms of over five years by the Guangdong courts also rose. A total of 809 offenders involved in serious corruption,

bribery, smuggling, and the manufacture and selling of counterfeit goods were sentenced, an increase of 13.8 percent over 1991. The whole province handled 1,934 such cases and sentenced 1,808 offenders.

It has been reported that the courts last year sternly punished offenders involved in production and trafficking of drugs, forced prostitution, and kidnapping and trading of women and children and executed those who had committed serious crime. The number of those executed for their involvement in such cases increased by 180 percent over 1991. The province handled 1,088 cases related to the "seven vices" and sentenced 1,245 offenders, an increase of 77 percent over the previous year.

The source cited figures to show that the courts were rather prudent in meting out the death penalty. The judges insisted on comprehensively reviewing the cases to ensure that the evidence was conclusive and that punishment was meted out in light of ironclad evidence.

Shenzhen Handles Major Corruption Cases in 1992

HK0202142093 Hong Kong ZHONGGUO TONGXUN
SHE in Chinese 0805 GMT 19 Jan 93

[Text] Shenzhen, 19 Jan (ZHONGGUO TONGXUN SHE)—Last year, procuratorial organs in Shenzhen targeted the struggle against corruption and bribery as the focal point of procuratorial work and achieved marked results. The city's procuratorial organs placed 130 cases of corruption, bribery, and other crimes on file for investigation and prosecution, arrested 97 persons for committing corruption and bribery, and seized stolen money and goods worth 14.272 million yuan and 2.579 million Hong Kong dollars, thus retrieving for the state and the collectives an economic loss of 86.35 million yuan and 2.745 million Hong Kong dollars.

In terms of cases already on file for investigation and prosecution, corruption and bribery criminal offenses committed in Shenzhen have the following characteristics: 1) The amount of money involved in corruption and bribery cases is sizable, and in the total on-file cases the proportion of major and important ones is enormous. In the cases placed on file for investigation and prosecution last year, the number of major and important ones involving more than 10,000 yuan each was 100, the highest proportion of such cases seen in the last few years. 2) The number of cases of embezzlement of public funds increased, and the amount of funds involved in each case was immense. In the cases placed on file for investigation and prosecution last year, there were 26 cases of embezzlement of public funds, most of which belonged to major and important ones, causing an economic loss of 40 million yuan, of which 7.06 million yuan has been retrieved. 3) Most cases took place in commercial, trade, and financial departments.

In the operation of fighting corruption and bribery, Shenzhen's procuratorial organs clearly defined that the

most important and direct service in the construction of the special economic zone was to give prominence to the investigation and handling of major and important cases, and concentrated main efforts on cracking the cases.

In the course of handling cases, procuratorial organs correctly handled the relationship between what to crack and what to protect and between what to crack and what to serve; cautiously handled "footfault [cai xian 6425 4848]" and "borderline" cases; and placed great stress on protecting the legitimate rights and interests of the entrepreneurs, reformers, and scientific and technical personnel who had made contributions. The organs did a good job in the comprehensive improvement of social order while handling cases, thus retrieving economic losses for enterprises and serving reform and opening as well as economic construction. For example, at the beginning of last year, in investigating and handling a corruption case in which Deputy Director Zhang from a company in Shenzhen was a suspect, the organs found that Zhang was the inventor of a certain patented project. After improving the technology, he transferred it to a company in Shanghai and received a transfer fee of 100,000 yuan. After investigation, it was shown that Zhang's action was in line with the provisions of the patent law, and his income was thus legal. Hence, the procuratorial authorities decided according to law not to place his case on file for investigation and prosecution. Again, for example, in handling cases, to protect enterprises' prestige and the normal operation of their funds, the Nanshan District Procuratorate did not rashly freeze their bank accounts. Through handling cases, it managed to retrieve 60 million yuan or so in economic losses for enterprises.

In handling cases, the city's procuratorial organs issued nearly 100 letters of suggestion for procuratorial work to relevant enterprises and institutions to help them revise and formulate rules and regulations to plug loopholes and actively carry out the work to prevent corruption and bribery crimes. In view of the situation in the first half of last year in which the cases investigated and handled were mostly ones of embezzled public funds, they wrote a special report and, using other information, reported it to the higher authorities. City leaders attached great importance to the report and issued a written instruction informing relevant units on the situation through a widely circulated notice urging relevant departments to take timely countermeasures.

Guangxi Reports Family Planning Work for 1992

*HK0402085493 Nanning Guangxi People's Radio
Network in Mandarin 1130 GMT 1 Feb 93*

[Excerpt] According to a report by GUANGXI RIBAO, our region completed the task assigned by the State Council on family planning work, that is, the plan on keeping in check the population growth rate, for the year 1992. According to accepted results from a sample survey conducted by personnel from the regional family

planning commission in 105 counties, cities, and districts, and 635 village groups and residents' associations around the region, our region registered 870,000 new births in 1992, or a birth rate of 20.19 per thousand, 1.7 percentage points lower than the 21.89 per thousand of 1991. More than 2.24 million cases of birth control-related surgeries were carried out, 100,000 more than in 1991. [passage omitted]

Ruan Chongwu Attends Hainan People's Congress

*HK0402090093 Haikou Hainan People's Radio
Network in Mandarin 2300 GMT 1 Feb 93*

[Excerpts] The presidium of the First Session of the First Hainan Provincial People's Congress held its third meeting yesterday afternoon [1 February]. The chairmen of the Standing Committee of the presidium, Ruan Chongwu, Du Qinglin, (Zhuang Xiaofeng), Pan Qiongxiong, Wei Zefang, (Cai Changsong), Yang Wengui, Wu Kuiguang, and (Huang Qingtian) were seated at the rostrum.

The meeting was presided over by Ruan Chongwu, while (Cai Changsong) delivered a report explaining the composition of the Standing Committee of the First Hainan Provincial People's Congress, as well as the list of nominees for governor and vice governors of the provincial people's government and presidents of the provincial higher people's court and provincial higher procuratorate. [passage omitted]

The meeting also approved the list of candidates for chairman, vice chairmen, secretary general, and members of the Standing Committee of the First Hainan Provincial People's Congress, and submitted the list to the different delegations for their discussions. It also approved the list of candidates for governor and vice governors of Hainan Provincial People's Government, as well as presidents of the provincial higher people's court and provincial higher procuratorate, and submitted the list for deliberations by the different delegations.

The entire presidium of the meeting was present.

Chairs Presidium Meeting

*HK0402085893 Haikou Hainan People's Radio
Network in Mandarin 2300 GMT 2 Feb 93*

[Text] On the evening of 2 February, the presidium of the First Session of the First Provincial People's Congress held its fourth meeting, presided over by Ruan Chongwu, chairman of the Standing Committee of the presidium. The meeting proposed and approved the list of candidates for chairman, vice chairmen, and secretary general of the Standing Committee of the First Hainan Provincial People's Congress, governor, vice governors, president of the provincial Higher People's Court, and president of the provincial people's procuratorate. [passage indistinct]

Yao Wenxu Elected Chairman of Hainan CPPCC
OW0402102593 Beijing XINHUA Domestic Service in Chinese 0728 GMT 4 Feb 93

[By reporter Xiao Huijia (5135 6540 1367)]

[Text] Haikou, 4 Feb (XINHUA)—Yao Wenxu [1202 2429 4872] was elected chairman of the Hainan Provincial Committee of the Chinese People's Political Consultative Conference [CPPCC] at the First Session of the Second Hainan Provincial CPPCC Committee that closed yesterday.

Southwest Region

Guizhou Increases Power Generation in 1992

HK0402105493 Guiyang Guizhou People's Radio Network in Mandarin 2300 GMT 3 Feb 93

[Excerpt] Last year, our province's power network comprehensively completed its power production targets, generating 10.88 billion kilowatt-hours of electricity, an increase of 11 percent over the previous year. It sold power worth 9.85 billion kilowatt-hours, an increase of 14.5 percent over the previous year. The total output value of the power industry stood at 1.116 billion yuan, an increase of 12.5 percent over the previous year. [passage omitted]

Sichuan Provincial People's Congress Opens 1 Feb

HK0402051093 Chengdu Sichuan People's Radio Network in Mandarin 2300 GMT 1 Feb 93

[Excerpts] The first session of the Eighth Provincial People's Congress held its second meeting yesterday morning [1 February], presided over by presiding Chairman He Haoju and attended by 898 deputies, which met the legally stipulated quorum.

The other presiding chairmen at yesterday's meeting were: Wang Daxian, Wang Binjie, Wang Shuyun, Deng Zhili, Zha She, Bing Xinqian, Zhu Boru, He Haoli, Ruo Huafen, Zhao Xiang, Hu Bianming, Yao Yongyu, Ying Guomao, and Fu Yunhong.

The deputies to the Eighth Provincial People's Congress as well as members of the Seventh Provincial Chinese People's Political Consultative Conference attending the meeting listened to a report by Chen Kuanjin, chairman of the provincial planning commission, on the implementation of the 1992 economic and social development plan in Sichuan Province and the draft plan for 1993. They also listened to a report by Li Dachang, director of the provincial finance department, on implementation of the 1992 budget and the draft budget for 1993. [passage omitted]

In a related development, the first session of the Eighth Provincial People's Congress held group discussions to examine the provincial government's work report as well

as discuss the list of candidates as deputies to the Eighth National People's Congress. Yang Rudai, Xiao Yang, Yang Xizong, and other leading comrades took part in the group meetings of delegations from Leshan, Nan-chong, and Deyang in their capacity as ordinary deputies.

Yunnan Governor Outlines 1993 Economic Work

HK0302070293 Kunming Yunnan People's Radio Network in Mandarin 1000 GMT 29 Jan 93

[Excerpt] At yesterday's provincial economic work conference, provincial Governor He Zhiqiang stressed that for 1993 economic work, centering on the establishment of the socialist market economic system and using reform as the driving force, it is necessary to truly shift the focus of economic work to depending on science and technology, improving quality, readjusting the structure, and increasing returns.

After fully affirming the achievements in the province's economic work last year, provincial Governor He Zhiqiang said: It is necessary to properly handle the relationships between three aspects. That is, it is necessary both to see the achievements and to pay attention to the salient problems occurring because of the speedy economic growth, such as the serious shortages of transportation capacity and electricity, frequent natural disasters, and the shortage of stored water. It is necessary both to strengthen our confidence and quicken the pace of development and to seek truth from facts, stress practical results, and proceed steadily. It is necessary both to preserve the initiative of the masses and to guide it correctly, bring into full play the wisdom and intelligence of the vast numbers of cadres and people, and promote the healthy development of the modernization drive.

Provincial Governor He Zhiqiang pointed out: For the province's 1993 economic work, first it is necessary to strengthen agricultural and rural work and to pay attention to farmland capital construction with the emphasis on the construction of water conservancy works; protect the interests of peasants; gear agriculture to the needs of the market; vigorously develop township and town enterprises; and strive for a greater development of the rural economy. Second, it is necessary to quicken the pace of reform; seize the current favorable opportunity to ensure the implementation of the various operational and decisionmaking powers conferred on enterprises by the regulations and ensure the method for their implementation; and conscientiously change the operational mechanisms of enterprises. Third, make efforts to nurture and develop the market, bring into full play the role of circulation, and form an open and highly efficient commodity circulation network with many channels and few links. Take the road that integrates science, industry, and agriculture; and gradually form the pattern of large-scale agriculture with efficient circulation and a large market. Finally, it is necessary to ensure good organization and coordination for daily production, make efforts

to create fine external conditions for enterprises' production and operation, and ensure that economic activities can proceed smoothly. [passage omitted]

Yunnan's Upgrades Transportation, Communications

HK0402151093 Beijing XINHUA Hong Kong Service in Chinese 0226 GMT 22 Jan 93

[By correspondent Liu Yuanda (0491 6678 6671)]

[Text] Kunming, 22 Jan (XINHUA)—Last year was the most memorable year in the history of Yunnan's transportation, post, and telecommunications development as it saw the largest investment and the most rapid and highest level of development in the province's transportation, post, and telecommunications.

Yunnan's gross investment in social fixed assets in 1992 grew 36.3 percent from 1991, but fulfilled investment in transportation, post, and telecommunications was up 130 percent from 1991, much higher than the growth rate of social fixed assets investment and the 42-percent and 53.5-percent investment growth rates in energy and raw material industries, respectively. The investment in the fixed assets development of transportation, post, and telecommunications last year was 2 billion yuan, almost 20 percent of the total fixed assets investment by all the province's state-owned units.

With increased investment, Yunnan's transportation, post, and telecommunications last year developed by leaps and bounds. The renovation of the three trunk lines that lead from Kunming to the Sino-Burmese, Sino-Laotian, and Sino-Vietnamese borders and another three that lead to Nanning, Guiyang, and Chengdu is in full swing. Among these, the construction of the high-grade road from Kunming to Chuxiong and the vehicles-only highway from Kunming to Yuxi is progressing smoothly and expected to be completed and operational this year. High-grade roads from Mangshi to Ruili and from Kunming to Qujing are under construction; and renovation on the road from Kunming to Hekou has also started. Yunnan Province once planned to spend 4.5 billion yuan building a highway in the central region of the province in three years' time with Kunming as the center, and upgrading six highways in 10 years. Last year, 623 km of roads and three road bridges were built and put into use and construction began on another 831 km of roads. The year 1992 saw the longest length of roads built and under construction in the history of the province's road construction.

Yunnan's part of the Nanning-Kunming Railway, jointly built by Yunnan, Guangxi, Guizhou, and the Ministry of Railways, and approximately 280 km long, is fully operational. The construction of the Guangtong-Dali Railway, a joint venture between the Ministry of Railways and Yunnan with funds contributed by the province's southern prefectures and districts, and the Kunming-Yuxi Railway, invested in by Yuxi Prefecture, is picking up speed. The Guangtong-Chuxiong section of

the Guangtong-Dali Railway and the Kunming-Yuxi Railway will all be built and operational this year.

Yunnan used to have three civilian passenger planes, four airports in Kunming, Simao, Jinghong, and Mangshi, and about 20 flight routes to cities within the country and Hong Kong. Last year the Yunnan Airline was founded, which purchased four Boeing 737-300's, increasing the province's passenger planes to seven. By the end of last year, Kunming was running regular flights to 33 large or medium-sized cities within the country and Chiang Mai, Bangkok, and Singapore.

The expansion of the Kunming Airport will be completed in the first half of this year. By then it will be one of China's five great airports. The renovation of the Zhaotong Airport will also be completed this year and flights there will be resumed. The Baoshan and Lijiang Airports also started renovation last year. The construction of the new Dali Airport has also begun and is in full swing. Yunnan Province is planning to increase passenger planes, flight routes, and schedules during the Ninth Five-Year Plan in an effort to gradually form three air traffic networks connecting the province's major destinations and the province with other destinations within the country and with Southeast Asia.

This year also saw the fastest development of post and telecommunications in Yunnan. Last year, all the province's prefectures and autonomous prefectures and over two-thirds of its counties were connected with nonoperator-assisted telephones. Kunming, Yuxi, and Dali now have programmed telephones. Kunming has abandoned the nonoperator-assisted telephone system to make way for a programmed telephone system. Telephone numbers have also gone from five to seven digits. The microwave-digital communication cable line has been installed in southern Yunnan and is operational. The construction of the microwave communication cable line in western Yunnan last year was in smooth progress and is expected to go into service this year. The construction of the Kunming-Dehong optical fiber cable project has also begun.

In the past there were only 600 telephone lines between Kunming and Beijing and international calls had to go out through Beijing, Shanghai, or Guangzhou. The installation of a foreign device that upgraded the Kunming-Beijing lines last year boosted the lines' capacity to 1,800 routes [lu 6424]. Under construction and expected to go into service this year, the satellite ground station in Kunming can handle 480 international calls simultaneously. Last year, urban telephone user accounts in Yunnan increased 40 percent, and international telephones increased 44 percent.

North Region

Chen Xitong Welcomes Tianjin Leaders in Beijing

SK0502081493 Beijing BEIJING RIBAO in Chinese 27 Jan 93 p 1

[By reporter Wang Yonghua (3769 3057 5478): "Beijing and Tianjin Leaders Visit Each Other During Spring Festival"]

[Text] Visiting each other during the Spring Festival is a traditional "program" of the leaders of Beijing and Tianjin Municipalities. The purpose is to promote understanding, learn from each other by exchanging views, and support and help each other. On the third and fourth days of the Lunar New Year, leaders of Tianjin's pertinent departments and cadres of its offices, led by Mayor Nie Bichu, came to Beijing to inspect and guide work. They were cordially received by Chen Xitong and other leading comrades of Beijing and conducted friendly and fruitful exchanges with them.

On the evening of the third day of the Lunar New Year, comrades from Tianjin Municipality went to Longqingxia north of the Great Wall to visit the ice carving festival, whose theme was the Light of the Olympic Games. They warmly praised Beijing for using lively and vivid measures to publicize the spirit of the Olympic Games. Mayor Nie Bichu and others said that Tianjin people resolutely supported Beijing's bid to host the Olympic Games in 2000 and wished it success. Comrades of the two municipalities also introduced their conditions and experiences in reform, opening up, economic development, and urban construction.

On the evening of 26 January, comrades of the two municipalities also held a friendship tennis match. Many leading comrades and veteran comrades participated vigorously, fully expressing the Olympic spirit emphasizing participation. Chairman Wan Li presented prizes to winners.

Leading comrades of the Tianjin Municipality who attended the visiting activities and the friendship match were Wu Zhen, Yang Jingheng, Liu Fengyan, Yao Jun, and He Guomo. Leading comrades of Beijing Municipality who attended were Li Qiyang, Jiao Ruoyu, Bai Jiefu, Zhang Baifa, Zhang Jianmin, Lu Yucheng, Huang Chao, Wang Baosen, Han Boping, Tie Ying, and Wan Siquan.

Beijing People's Congress Elects Li Qiyang Mayor

OW0502105993 Beijing XINHUA Domestic Service in Chinese 0932 GMT 5 Feb 93

[Text] Beijing, 5 Feb (XINHUA)—At the first meeting of the 10th Beijing Municipal People's Congress, which closed today, Zhang Jianmin was elected chairman of the Beijing Municipal People's Congress Standing Committee; Li Qiyang was elected mayor of Beijing; and Zhang Baifa, Wang Baosen, Lu Yucheng, He Luli, Li Runwu, Hu Zhaoguang [5170 2507 1639], Meng Xuenong [1322 1331 6593], and Duan Qiang [3008 1730] were elected vice mayors of Beijing.

Li Qiyang Biography

OW0502054393 Tokyo KYODO in English 0526 GMT 5 Feb 93

[Text] Beijing, Feb. 5 KYODO—Beijing Communist Party chief Chen Xitong announced Friday [5 Feb] that

Executive Deputy Party Secretary Li Qiyang has been elected to succeed him as mayor of Beijing.

Li's election was approved Wednesday by the Beijing People's Congress which also elected eight deputy mayors, including four newcomers, said Chen at the conclave's closing ceremony.

Born in 1938 in eastern China's Shandong Province, Li has worked in the local communist hierarchy since 1963, including stints as party chief of Pinggu County in the capital's suburbs and head of the Beijing party's organization department.

Described by observers as a Chen protege, Li is believed to support rapid economic reforms in Beijing to keep the city at the forefront of China's modernization drive.

The four new deputy mayors are Li Runwu, Hu Zhaoguang, Meng Xuerong and 36-year-old Duan Qiang, Chen said.

Four former deputy mayors have retained their positions, among them Zhang Baifa, who is heading Beijing's bid to stage the 2000 Olympic Games.

Further on Elections

OW0502114293 Beijing XINHUA in English
1128 GMT 5 Feb 93

[Text] Beijing, February 5 (XINHUA)—Li Qiyang, executive deputy secretary of the Beijing Municipal Party Committee, was elected mayor of Beijing this morning to replace Chen Xitong, who was elected secretary of the Beijing Municipal Party Committee not long ago.

The election was conducted at the First Session of the Tenth Beijing Municipal People's Congress which closed here this morning.

The session also elected Li Runwu, Hu Zhaoguang, Meng Xuenong and Duan Qiang new vice mayors and re-elected Zhang Baifa, Wang Baosen, Lu Yucheng and He Luli vice mayors.

Li Qiyang, 54, graduated from the Beijing Teachers' College in 1963. He was the executive deputy secretary of the Beijing Municipal Committee of the Chinese Communist Party.

The new mayor is widely acclaimed for his boldness, capability and rich experience gained during his long years of working at grassroots in Beijing.

In his inauguration speech, the new mayor promised to solve the power shortage problem in Beijing and speed up the rebuilding of dangerous residential houses.

He vowed to persist in the basic line of the party and devote his efforts to improving the infrastructural construction in the capital, training of talented personnel, accelerating the pace of Beijing's march towards a market economy through deepening reforms and

opening to the outside world and fighting against corruption and unhealthy tendencies.

His involvement in the policy decisions on the municipal construction and economic development will ensure better continuity of the work of the municipal government.

The new mayor loves symphonic music and lyric songs. He also loves history he studied at the Teacher's College and outstanding historical figures are among the favorable subjects of his off-duty discussions.

He has one son and one daughter.

Congress Elects Committee Head

*OW0502120993 Beijing XINHUA in English
1156 GMT 5 Feb 93*

[Text] Beijing, February 5 (XINHUA)—Zhang Jianmin, a formerly vice-mayor of Beijing, was elected chairman of the Standing Committee of the Tenth Beijing Municipal People's Congress here today.

Zhang, 62, a Manchu ethnic minority, was also a Standing Committee member of the Beijing Municipal Committee of the Communist Party of China (CPC). He is an alternate member of the 14th CPC Central Committee.

Zhang, who graduated from the People's University of China, has rich experience in economic work. He took charge of management of trade and commerce during his post as vice-mayor of the city.

During the First Session of the congress, which closed here today, eight vice chairmen of the congress were also elected.

Wu Zhen Discusses Election Plans for Tianjin

*SK0502081593 Tianjin People's Radio in Mandarin
2300 GMT 4 Feb 93*

[Text] The Seventh Municipal People's Congress Standing Committee sponsored a forum of responsible personnel in the cadres' club on the morning of 4 February. Attending the forum were Wu Zhen, chairman of the municipal People's Congress Standing Committee; vice chairmen of the municipal People's Congress Standing Committee, including Li Yuan, Liu Zengkun, Yu Fujing, Shi Jian, Zhu Wenju, Bai Hualing, Pan Yiqing, and Huang Qixing; and Li Genrong, secretary general of the municipal People's Congress Standing Committee.

At the forum, the participating personnel voiced their opinions freely; exchanged their ideas; reviewed their past work; and spoke glowingly of future tasks. Wu Zhen delivered a speech in which he said: Over the past few years, the People's Congress Standing Committees at all levels throughout the municipality have worked hard and actively made progress under the leadership of party committees at all levels. They have also made all-out

efforts to create a new situation in the municipal people's congress work in line with the power and duties imposed on them by the Constitution and laws and have made new progress in various fields. The term shift election is in sight. Some comrades will remain in their posts of the People's Congress and some will retreat from their posts. He urged comrades who will remain in their posts to make new contributions to the municipal work of building democratic and legal systems and to safeguarding or developing the good relationship between the municipal people's congress work and the district-county work. Wu Zhen said: Comrades who will retreat from their posts should not regard their retirement as a final stage of life but regard it as another start of work. They should continue to play their role as usual in the people's congress work and actively give a helping hand to newly elected comrades so as to further boost the people's congress work and to vigorously render services for the center of economic construction and for building socialism with Chinese characteristics.

Northeast Region

Activities of Heilongjiang's Sun Weiben Noted

Inspects Work in Hulan

*SK0402075993 Harbin Heilongjiang People's Radio
Network in Mandarin 2200 GMT 3 Feb 93*

[Text] While inspecting the work of Hulan on 3 February, Sun Weiben, secretary of the provincial party committee, emphatically pointed out: It is necessary to deeply implement Comrade Deng Xiaoping's speech given during his tour to south China and the guidelines of the 14th CPC Congress, seize the opportunity, accelerate development, proceed from reality, adopt unconventional measures, make earnest efforts to do practical work, and fulfill the blueprint for invigoration.

Provincial and Harbin city leading comrades who also joined the inspection tour to Hulan with Sun Weiben were Ma Guoliang, Tian Fengshan, Wang Xianmin, and (Zuo Chengyou).

Responsible comrades of the Hulan County party committee and the government briefed the provincial and Harbin city leaders on the development of the county economy and construction in the development zone. The provincial and Harbin city leaders fully affirmed the achievements of Hulan County in economic and social development and in building the development zone.

Sun Weiben analyzed the current situation and Hulan County's favorable conditions and advantages for economic development. He stressed that efforts should be made to seize the opportunity, accelerate development, keep a clear head, and proceed from reality. He pointed out: In the course of accelerating development, we should further emancipate minds, adopt unconventional measures, and work boldly and vigorously. He then said: Unconventional means to follow the road of deepening

reform. Currently, we should exert strenuous efforts to the shareholding and shareholding cooperative systems so as to clear the bottlenecks restricting economic development. State-owned and private enterprises may make bigger strides. Particularly, the commercial, catering, service, and repair industrial units may be turned into state-owned but privately run enterprises in an effort to promote the development of the tertiary industry. In transforming small cities and towns and in developing and perfecting the market system, we should also pay attention to the unconventional. As long as we uphold the criterion of doing what is conducive to the development of socialist productive forces, to strengthening the comprehensive strength of a socialist country, and to raising the living standards of the people and proceed from reality, we may do anything boldly and vigorously. Sun Weiben pinned hope on the construction of Hulan County's development zone. He said: As the first county-grade development zone of the whole province, Liming Economic and Technology Development Zone has made a very good start. We should take the lead and exert utmost efforts to manage it so that it can bring along the whole county's economic and social development and provide experience for the whole province. He hoped that the province and Harbin city would give greater support to the development of Liming Development Zone. Regarding the overall objective given by Hulan County on becoming affluent two years ahead of schedule and achieving a 300-percent increase four years ahead of schedule, Sun Weiben expressed hope that the county party committee and government would mobilize cadres and the masses of people across the county to make concerted efforts to build roads on mountains, build bridges over rivers, overcome difficulties, and realize the blueprint for invigoration.

Attends Economic Meeting

SK0502034493 Harbin Heilongjiang People's Radio
Network in Mandarin 2200 GMT 4 Feb 93

[Text] The provincial conference on economic restructuring work was held in Harbin on 4 February. It was proposed at the conference that this year our province should implement the regulations and our province's detailed implementation rules in line with the central task of accelerating the building of the socialist market economic system, change the enterprise operational mechanism, promote all supporting reforms, accelerate the pace of reform and opening, and push the whole province's economy to a new stage. The conference was presided over by Governor Shao Qihui. Sun Weiben, secretary of the provincial party committee, and He Guanghui, vice minister of the State Commission for Restructuring the Economy, attended the conference.

At the conference, Vice Governor Chen Yunlin delivered a report, entitled: "Comprehensively Advance Reform in Line With the Task of Accelerating the Establishment of the Socialist Market Economic System." In his report, Chen Yunlin gave five major tasks to be carried out during this year's provincial

economic system reform. First, we should deeply implement the regulations and our province's detailed implementation rules, promote the change of enterprise operational mechanism, and delegate all 14 decisionmaking powers to enterprises; second, deepen the reform of the circulation system, actively cultivate and perfect the market system, and gradually establish a multilayered network of various types of markets marked by unified openness and perfect standards in line with the demand for division of responsibility at all levels and in different regions and integration of domestic and foreign trade; third, take active and reliable steps to promote the social security system and reform the real estate system, establish a unified social security system and related organs in line with the principle of separating government functions from those of institutions, and enhance the management, supervision, and service levels; fourth, accelerate the pace of changing the government functions, change the government functions from managing economic work to planning, coordination, supervision, and service, make policy decisions and separate management at various levels, and integrate responsibility with powers; and, fifth, exert strenuous efforts to grasp reform of the county economy and all sorts of experimental work in selected units, lay the foundation, and provide experiences for deepening all kinds of reforms.

Vice Governor Chen Yunlin stressed: It is necessary to further enhance our understanding of reform work, strengthen leadership, coordinate work well, and promote reform with joint efforts. He called on governments at all levels and principal leaders to persist in attaching primary importance to reform work, formulate overall plans for reforming the economic system in line with reality, make earnest efforts to carry out practical work, work creatively, and push the whole province's reform work to a new level.

Governor Shao Qihui also addressed the conference. He stressed that efforts be made to strengthen study, thoroughly study and understand the guidelines of the 14th CPC Congress and the conference of the State Commission for Restructuring Economy, grasp the key points in line with reality, do a good in our province's various reform work, strengthen leadership over economic restructuring work, and lead our province's economic work to a path of sound development through reform.

Jilin's He Zhukang on CPC Congress Guidelines

SK2901064993 Changchun JILIN RIBAO in Chinese
21 Dec 92 p 1

[By Chen Decai (7115 1795 2088) and Lin Jun (2651 0689): "Leaders at All Levels Should Perseveringly Pay Attention to Implementation"]

[Text] From 15 to 19 December, He Zhukang, secretary of the provincial party committee, led the responsible comrades of the general office of the provincial party committee, the provincial civil affairs department, the provincial finance department, and other departments

directly under the province to conduct investigations and study in Baicheng and Songyuan—the hinterland of the Keerqin Grassland—on how the guidelines of the 14th CPC Congress and the guidelines of the 10th plenary session of the fifth provincial party committee have been implemented. They held discussions with secretaries of county and city party committees and directors of some enterprises; heard work reports given by responsible comrades of prefectural, city, and county party committees; and conducted on-the-spot investigations in Daan, Qian Gorlos, and other cities and counties as well as the Baicheng textile mill, radio factory, and general car electric wire factory. Responsible comrades of the Baicheng prefectural party committee and commissioner's office and the Songyuan city party committee and government participated in the investigation and study activities.

In every locality he visited, Comrade He Zhukang conscientiously publicized the guidelines of the 14th CPC Congress; spoke glowingly of the excellent situation in reform, opening up, and economic construction; and encouraged the vast number of cadres and the masses to seize the opportunity to make progress. He said happily: After Comrade Deng Xiaoping gave his important speeches during his south China inspection, especially since the 14th CPC Congress, cadres and the masses have been greatly inspired. Their confidence has been enhanced, and their work drive soaring. Reform and opening up have made new headway, the economy has grown steadily, living standards have continued to improve, and the society has been fairly stabilized. With the government functioning well and the people enjoying peace, the entire situation has been very good and full of promise. The call for raising the economy to a new level after three years of hard work issued at the provincial party committee's work conference is encouraging the people to exert themselves fully to make progress. A trend of vigorous development is emerging in economic construction. The tasks for the first year of the endeavor for the economy to reach a new level can be accomplished. The people's mental outlook is very good, and successful examples have emerged in all fields. We should summarize experiences, enhance confidence, and continue to accelerate reform, opening up, and economic construction.

In Baicheng and Songyuan, Comrade He Zhukang repeatedly emphasized: The major principles have been decided on after the 14th CPC Congress; and the 10th plenary session of the fifth provincial party committee clearly defined the targets, tasks, and measures for implementing the guidelines of the 14th CPC Congress, which have been supported by cadres at all levels and the masses. The most important work at present is to organize forces to implement them in the way we organize forces to carry out capital construction projects once they are planned and their blueprints drawn. The key lies in implementation and in making earnest efforts to do practical work. We should make conscientious efforts in implementation and work in a practical manner to fulfill

all the tasks defined at the 14th CPC Congress and the 10th plenary session of the fifth provincial party committee.

Comrade He Zhukang pointed out: Some of our policies and measures were unable to create notable results in the past. This was not because these measures were not good but because they were not implemented to the letter. He cited an example stated in the book entitled "QIANSHU QUANSHI" [3383 2579 2938 1395], written by Tang Zhen of the Qing Dynasty. A little girl of the Shi family in eastern Kuaiji of Zhejiang Province was ill, and her father invited a famous doctor to cure her. However, good medicine did not cure the disease. After asking the doctor to leave, the father conducted investigations carefully to find out the reason. It turned out that she had poured the medicine under the bed and did not take it. The father again asked the doctor to come to make the medicine according to the same prescription. The little girl took the medicine and her disease was cured. Comrade He Zhukang said that this matter is very philosophical and arouses deep thought in the people. The famous doctor writes a good prescription and the patient must take the medicine to recover. Taking medicine is not taking candy. Good medicine tastes bitter. The patient must not be afraid of bitterness. Therefore, the people on all fronts must be engaged in solid work. We must never blame the doctor for his lack of medical skill and wrong prescription when desired results are not produced. Leading comrades at various levels and all departments concerned should make unswerving efforts to implement the target of setting up the socialist market economic system as defined at the 14th CPC Congress and the requirements as set forth at the 10th plenary session of the fifth provincial party committee. Otherwise, we will not be able to make real results, because the correct line, principles, and policies have not been deeply established in the people's livelihood or have not penetrated into the work. Therefore, we must pay attention to not only policy decisions but also the implementation of policy decisions. To pay attention to practice, we should stress seeking reality and strive to produce effect.

Comrade He Zhukang pointed out: Implementation is practice. Through implementation, we will be able to solve specific problems. This is an arduous job. Instead of engaging in common practice, we should creatively solve the problems that concern the people most and grasp the key links affecting the economic development. At present, we should do solid work to realize the targets and tasks as set forth at the 14th CPC Congress and to implement the requirements and measures as given at the 10th plenary session of the fifth provincial party committee. First, we should speed up the pace of economic development, fully take the favorable opportunity of setting up the socialist market economic system, and use favorable conditions to speed up the economic development. Leading comrades at various levels should emancipate the mind, change ideas, eliminate the state of fearing difficulties, mobilize the enthusiasm of the cadres and the people, and tap their potential. We should

set higher targets, widen the field of vision, and base ourselves on acceleration. We should go all out and have the boldness to try and do pioneering work. We must not delay the work that can be carried out in advance and speed up what can be accelerated. It is certain that we will come across various problems. But, we must not be afraid of this. We should strive to solve these problems in the course of development. We must not hamper our initiative before development. Development is an unchanged truth. In fact, the rapid economic development will fundamentally enhance the society's capacity and some problems will easily be solved. It all depends on human efforts, and undertakings must be run by the people. We should bravely be ahead of others and have the daring to surpass the predecessors. We should penetrate the achievements in emancipating the mind and changing the ideas into the practice of speeding up reform and opening up in an effort to make achievements in liberating and developing productive forces. The year 1993 is a key year in fighting for three years to elevate the economy to a new high. Each and every locality and each and every enterprise should sum up the work of this year, take the whole situation into consideration, and firmly attend to the work after the beginning of next year. Second, we should attach importance to establishing and expanding markets. An important sign of the change in the economic system is enterprises' marching toward and relying on the market. The Baicheng Machine Tool Industrial and Trading Company and Radio Factory have actively participated in large sales exhibitions at home and abroad to learn about production and marketing information and consumers' demand; established their own commercial and foreign trade organizations to open sales centers in the various provinces in south China and in the United States, South America, and Southeast Asia to provide after-sales service; and spared no money for advertisement. This is a good method for developing the market. Enterprises should regard the exploitation and development of the market as an important strategic measure. Governments at all levels should all the more exert great efforts to establish markets. Markets are not merely places for trading commodities. Therefore, we should not only achieve success in the construction of tangible facilities but also provide price information and consulting services and establish various intermediary organizations that conduct commodity trade. We should develop wholesale and futures markets well. We should employ the personnel with special knowledge and skills to engage in the establishment of the market. Leaders at all levels, especially principal responsible comrades, should place establishment of the market in the lead when developing the market economy, attach importance to it, and exert great efforts to make this key work successful. Third, we should greatly facilitate state enterprises' transformation of the operating mechanism. On the one hand, we should achieve success in the reform of the three systems and introduce the mechanisms of competition, incentive, and restraint to enterprises. On the other hand, we

should successfully conduct the reform outside enterprises and properly handle the relations between governments and enterprises. Enterprises with a substantial foundation and strong capacity for competition may develop new products that suit market demand to promote their transformation of the mechanism. Enterprises suffering deficits to a serious extent whose assets cannot pay off their debts and which can find no way of survival should resolutely transform their mechanism by merging with other enterprises, leasing out or selling themselves, or declaring bankruptcy. They should have more courage and achieve breakthroughs in doing this work, which should never drag on. Competition to select the superior and eliminate the inferior will become even more intense when most enterprises enter the market. They should gain the initiative in the competition by improving their technological and equipment levels, relying on the role of science and technology as the primary productive forces, and developing the new products of high technological content. They should make the basic accounting units as small as possible, conscientiously strengthen management, and strive to improve economic efficiency. Fourth, we should accelerate the transformation of government functions and the streamlining of administration. Organizational reform is an inevitable demand in establishing the socialist market economy system and achieving a faster development in economic construction. We should redesign the establishment of government organs and redefine their functions in line with the requirement of the market economy system. When studying the program for the organizational reform, we should be careful and prudent. Once a decision is made, we should implement it swiftly and never be dilatory. Proceeding from specific local conditions, all localities should move quickly and carry out reform measures before standardizing them.

In all the areas he visited, Comrade He Zhukang emphasized: Implementation of work requires the organizational guarantee provided by strengthening party building and improving party leadership. Meanwhile, implementation sets a still higher demand on strengthening party building and improving party leadership. Judging from our understanding, implementation means practice, and practice requires the guidance of theory.

We should conscientiously study Marxism-Leninism-Mao Zedong Thought, deeply study the guidelines of the 14th CPC Congress, and use Comrade Deng Xiaoping's theory on building socialism with Chinese characteristics to arm the party members and cadres throughout the province. We should pay special attention to studying, implementing, and mastering the Marxist materialist dialectics; dialectically approach issues with its practical viewpoint, comprehensive viewpoint, development viewpoint, and the viewpoint on uneven development; go beyond appearances to understand the essence; enhance ability to analyze and solve problems in a fact-seeking manner; draw inferences about other cases from one instance; make overall plans and take all factors into consideration; and fulfill our

duties while doing all fields of work. In addition, we must cope with the new situation and strive to acquire new knowledge. Currently, end-of-term elections are being carried out in most cities and counties across the province. After the end-of-term elections, new leading bodies must accomplish something and must persist in attaining high standards and setting strict demands on themselves. This is the demand of the innate character of the Communist Party members. Persisting in attaining high standards implies that we must set a high objective, have courage to blaze new trails, and dare to do what other people have not done before. We have to foster a spirit of catching up with and surpassing others, strive to scale the heights, create the best record, and strive for the best. Setting strict demands on ourselves means that we must be conscientious and meticulous while doing our work. Only by setting high demands on ourselves can we be able to attain high standards; and only by persisting in attaining high standards can we be able to manifest our efforts in setting strict demands. In setting strict demands, we may hurt the feelings of some people. Leaders must have a selfless spirit. The key to setting strict demands lies in leadership. Leading comrades at all levels must serve as examples. Strictness is the mother of success. We must set strict demands while doing everything, and must fulfill all tasks defined by the 14th CPC Congress with high standard.

While holding talks with some city and county party committee secretaries, Comrade He Zhukang stressed: From the province to all counties, the principal leaders should concentrate their main energy on this work. The deeper they go to the grass roots, the more attention they should pay in this regard. To implement this work, we must grasp it firmly and must never slacken our efforts until the goal is attained. We must have new ideas and scientific methods, ponder issues from the angle of the overall situation, and solve problems by proceeding from reality. We must persist in combining the efforts of leaders with that of the masses and be good at translating the party policies into the conscious action of the masses; pay attention to both the material and intellectual resources; and fully tap the potential of both. These two aspects are very important. Currently, we should pay particular attention to tapping the potential of intellectuals. To tap the potential of intellectual resources, we must not mainly pay attention to the number of people or to their enthusiasm, but we must also promote the indomitable spirit, for this is our advantage. In face of the arduous tasks, we need this spirit all the more. It is necessary to establish an incentive mechanism, create a good media atmosphere, and encourage the people to work hard and to scale heights. We must establish the responsibility system, work to fulfill what we have defined, advance, and never retreat. Anyone who has courage to take responsibility and to solve problems may step forward; and anyone who does not have confidence and fails to solve problems must step down. This is applicable to leaders and to the selection and promotion of cadres. The more difficult situations are, the more we can display our talent and ability. We must not stick to

one pattern, but pay attention to actual results. To judge the implementation of guidelines, we must see the main trend and the basic aspect, and must not be fastidious about minor problems. Once the major and difficult points are tackled, we should support cadres and encourage them to shoulder heavy tasks, strive to create a social environment favorable for the people to promote a hardworking spirit, stimulate cadres and the masses across the province to advance in spite of difficulties, forge ahead with an indomitable spirit, and unswervingly march towards the socialist market economic system.

Northwest Region

Xinjiang Circular on Enterprise Mechanism

OW3101051193 Urumqi Xinjiang Television Network
in Mandarin 1655 GMT 28 Jan 93

[From the "Xinjiang News" program]

[Text] The autonomous regional party committee and people's government yesterday issued a circular on earnestly implementing the "Regulations Governing the Change in Operating Mechanisms in State-Owned Industrial Enterprises in the Xinjiang Uygur Autonomous Region."

The circular pointed out: Deepening enterprise reform and changing enterprises' operating mechanisms are urgent tasks encountered by Xinjiang in its reform, opening up, and economic progress. At present and for some time in the future, party committees, people's governments, and administrative departments at various levels must make concerted efforts to change enterprise operating mechanisms.

The circular said: An important task for changing enterprise operating mechanisms is to thoroughly delegate autonomous operational powers to enterprises. It is necessary to effectively delegate—without any reservations—the 14 operational powers stipulated in the regulations and related measures to every enterprise that has been qualified as a legal entity. Such delegation of power is not to be withheld by any department or unit, including companies tasked with administrative functions over enterprises. Reorganization or restructuring will be instituted on departments or units that do not delegate power. We will investigate legal responsibilities—in strict accordance with relevant stipulations in the regulations and measures—involving cases where an enterprise's operational autonomy has been seriously infringed upon.

The circular said: The key to changing enterprise operating mechanisms is to accelerate the transformation of government functions. We should pursue the principle that government administration should be separate from enterprise functions; that microeconomic operations should be decontrolled; and that macroeconomic regulation and control should be properly regulated. Thus, we

will be able to specifically and effectively transform the government's administrative functions over the economy, and restructure administrative methods over enterprises. We should let go totally in the following situations: Enterprises should thoroughly handle matters that can be handled by themselves; and the market should be allowed to resolve matters that can be resolved by the market. Further interference in enterprises' daily production and operating activities is forbidden.

Party committees and government departments at various levels should immediately organize personnel and

resources to properly screen existing laws, rules, regulations, and documents on policy issues.

The circular said: We should closely integrate the implementation of the regulations and measures with the tasks of properly handling another round of contract work and improving enterprise operations. To smooth relations between the party committee and management departments, the plant director, manager, and party committee secretary may alternate their posts in enterprises with the appropriate conditions; or leading personnel in these enterprises may hold concurrent posts in the enterprises' party committee and management departments.

Military Increases Readiness Against Taiwan

HK0502103893 Hong Kong HSIN PAO in Chinese
5 Feb 93 p 8

["Beijing Political Situation" column by Jen Hui-wen (0117 1979 2429) in Beijing, 3 February 1993: "The CPC's Reaction to Drastic Changes in Taiwan's Political Situation"]

[Text] Sources in Beijing revealed recently that the CPC Central Committee Taiwan Policy Research Office, the State Council Taiwan Policy Research Office, the Central Military Commission Taiwan Strategy Research Office, and the Defense Ministry Taiwan Intelligence Research Institute had all received instructions from the top-level CPC leadership at the same time, which required them to pay attention to and study the recent drastic changes in Taiwan's political situation and to work during the Spring Festival as normal. Li Peng, member of the CPC Central Committee Political Bureau Standing Committee and premier of the State Council; Wan Li, chairman of the National People's Congress [NPC]; Zhang Zhen, vice chairman of the Central Military Commission; and Zhang Aiping, a former defense minister, visited the above-mentioned units to convey New Year's greetings. Obviously, the CPC took this measure in view of the unprecedented surge of the "Taiwan independence" forces on the island.

As everyone knows, over the past three years or so since Li Teng-hui became president, the "founding of an independent state in Taiwan," which had been illegal in the past, became legal. Even when violence is used, no one dares deal with the case. At the end of last year, after the Kuomintang [KMT] had suffered a crushing defeat in the legislative elections, the mainstream faction (also called the "national independence faction" or the "independence faction") headed by Li Teng-hui tried to exclude the breakaway faction (also called the "reunification faction") headed by Hao Po-tsun, president of the Executive Yuan, intending to replace the latter with Lien Chan, an elite Taiwan-native and student of Peng Ming-min the founder of "Taiwan independence," and form a new cabinet, because Lien is of the middle-aged generation and is more obedient. If that really is the case, it shows that the reunification faction has already lost its superiority and everything it does is just like an arrow at the end of its flight. The situation could take a turn for the worse three years from now. Then people who advocate reunification may even be considered serious criminals who are "trying to betray Taiwan."

Jiang Zemin Declares the CPC's Stand

Obviously, the CPC authorities, which always advocate the reunification of both sides of the strait, have not turned a blind eye to the actions Li Teng-hui has taken to exclude those who hold different views, mainly non-Taiwan natives of the reunification faction, under the pretext of "endogenous replacement [shi dai jiao ti 2508 0108 0074 2583]." Sources said that apart from the above-mentioned measures on 28 January, speeches

made by some central leaders on the Taiwan situation were conveyed by the party committees of various large military regions and various arms and services, including those by Jiang Zemin, general secretary of the CPC and chairman of the Central Military Commission; Liu Huaqing and Zhang Zhen, vice chairmen of the Central Military Commission; and Yang Dezhi, former chief of the general staff. On 29 January, Jiang Zemin's speech on Taiwan's political situation was conveyed to the party committees of various provinces, municipalities, and autonomous regions.

Jiang Zemin said: "In essence, the struggle between Li Teng-hui and Hao Po-tsun is a major issue of right and wrong, concerning whether the KMT authorities in Taiwan will continue their policy of only one China and the line of the Three People's Principles or take the road of 'Taiwan independence' and 'one China, one Taiwan' and the line of overall westernization. At present, the situation is developing toward the latter, and they are aided and abetted by some foreign political parties and political groups, including some from the United States, Japan, and Britain."

He continued: "We will continue to take an attitude of no joining in, no participation, and no further comment and will closely follow developments in the situation. In general, we hope there will be peace in Taiwan rather than turmoil. Whether the trend will deteriorate toward 'Taiwan independence' and 'one China, one Taiwan,' or foreign forces meddle further in the issue, we must get prepared over the next two years. The changes in Taiwan's situation proves that our Taiwan policy is correct and far-sighted and that Comrade Xiaoping's guidance is wise."

As for the CPC's Taiwan policy, according to the political report delivered by Jiang Zemin at the 14th CPC National Congress last October, the CPC will continue to make positive efforts to promote national reunification in accordance with the principle of "peaceful reunification and one country, two systems." It resolutely opposes all forms of "two Chinas," "one China, one Taiwan," and "one country, two governments" and resolutely opposes any attempts and actions aiming to make Taiwan independent. It will continue to promote direct "three exchanges" between both sides of the Strait as well as exchanges and cooperation in all spheres. It is willing to hold talks with the KMT on peaceful reunification.

What merits particular attention is that, although the CPC's conditions for reunification with Taiwan are more flexible than those for Hong Kong and Macao, it has never promised to give up the use of force. Instead, it has repeatedly declared that China will never allow any foreign forces to interfere in its internal affairs and will never sit by and watch others split China up. For this reason, many observers and foreign politicians believe that Taiwan tries to go independent, Beijing will definitely resort to force to maintain national sovereignty.

Zhang Zhen Comments on Taiwan's Political Situation

Sources also said that since the new leading body of the Central Military Commission was elected last October, the CPC authorities have been attaching great importance to carrying out education among the officers and men of the armed forces on the international situation and the Taiwan situation. On many occasions, leaders of the Central Military Commission personally gave lectures on the situation. When talking about the Taiwan situation at a Central Military Commission meeting on 19 January, Zhang Zhen pointed out: "The changes and turbulence in Taiwan's political situation are extremely detrimental to the relaxation of relations between both sides of the strait, promoting direct 'three exchanges,' and creating conditions for peaceful negotiations. Over the past few years, the mainstream KMT faction, headed by Li Teng-hui, has been pursuing so-called 'realistic diplomacy,' seeking 'dual recognition,' and trying to enter international organizations, including the United Nations, with the name of a 'state.' In fact, this is a practice of 'two Chinas' and 'one China, one Taiwan.' Recently, the Taiwan authorities purchased large quantities of military equipment for their Navy and Air Force from the United States and other Western countries using the excuse that we have not publicly promised to renounce the use of force against Taiwan. This was encouragement for the 'Taiwan independence' forces. Our stand is firm. In general, we hope that reunification of the motherland can be realized through negotiations and by peaceful means. But if Taiwan practices 'Taiwan independence,' 'one China, one Taiwan,' or 'two Chinas,' and allows foreign forces to meddle in China's internal affairs, we will surely take resolute action and will even make sacrifices to accomplish the great cause of the reunification of the Chinese nation. We do not wish to see Li Teng-hui and others in the KMT and other parties play with fire on the fundamental and principled issue of reunification and challenge our stand and military force."

Zhang Zhen also said: "Since Mr. Chiang Ching-kuo died, some people in the U.S. Congress and Japanese political circles have been uninterruptedly instigating and supporting the KMT's mainstream faction, headed by Li Teng-hui, and the Democratic Progressive Party [DPP] to step up their 'Taiwan independence' and 'one China, one Taiwan' activities. Over the past year or so, some people from British political circles have also made use of foreign forces to participate in and support 'Taiwan independence' and 'one China, one Taiwan' activities in Taiwan. This shows that the rulers of some Western countries are very afraid of China's reunification. Their aggressive ambitions for China's territories and resources have also been laid bare."

Certain Unusual Actions

What Zhang Zhen has said once again demonstrates the consistency of CPC policies and principles on Taiwan. From this we can also see that the CPC's top-level

military leaders are very clear about the changes in Taiwan's political situation.

Sources also revealed: In fact, apart from making speeches, the CPC Central Committee and Central Military Commission have also taken certain usual steps in view of the drastic changes in Taiwan's political situation. It has been said that since the end of January, forward units of the Guangzhou Military Region have been ordered to third-degree combat readiness, forward air units of the Nanjing Military Region have been ordered to second-degree combat readiness, the Seventh Army of the Air Force [kong jun qi jun 4500 6511 0003 6511] has been ordered to third-degree combat readiness, the East China Sea Fleet and naval air units have been ordered to third-degree combat readiness, and the submarine section has been ordered to second-degree combat readiness.

Moreover, some top-level CPC and Central Military Commission leaders and veteran generals have inspected front-line military units since mid-January, including Qiao Shi, member of the CPC Central Committee Political Bureau Standing Committee, who inspected the Second Artillery Corps units stationed in Zhejiang; Zhu Rongji, member of the CPC Central Committee Political Bureau Standing Committee, who inspected an air base in Shanghai; Liu Huaqing, accompanied by veteran General Yang Dezhi and Li Desheng, who inspected submarine units while on board the guided missile destroyer "Zhangjiang"; Jiang Zemin and Zhang Zhen, who inspected guided missile units stationed in Shijiazhuang; Chi Haotian, member of the Central Military Commission, who inspected the Nanjing Military Region; and Qin Jiwei, minister of national defense, who inspected the Navy's fleet base in Dalian. During the inspection, Jiang Zemin emphasized the importance of the development of guided missiles and strategic weapons for the Army's modernization. Liu Huaqing pointed out: "It is imperative to establish a powerful and modern Navy. The three main tasks of the People's Navy are to safeguard the motherland's sacred territorial waters, to counterattack hegemonists and advocates of power politics who play with fire and dare to invade our country, and to accomplish the great cause of the reunification of the motherland and smash all attempts to break China up by practicing 'Taiwan independence' and 'one China, one Taiwan.'"

Sources from CPC military circles point out: The frequent action taken by CPC Armed Forces recently indicate that if changes in Taiwan's political situation are stepped up, the CPC's combat readiness against Taiwan will also be stepped up correspondingly. On major issues of principle concerning the sovereignty of the state and the fundamental interests of the Chinese nation—including the Taiwan, Hong Kong, and even the Tibet issue—China always takes a firm stand and never barter away principles. There is no room for any concessions either. No one should cherish illusions on such issues.

Article Discusses Taiwan's Cabinet Reshuffle

HK0402151193 Hong Kong ZHONGGUO TONGXUN
SHE in Chinese 1107 GMT 3 Feb 93

["Special article" by Li Xiaozhun (2621 1321 6150)]

[Text] Hong Kong, 3 Feb (ZHONGGUO TONGXUN SHE)—The case of "collective cabinet resignation" in the Taiwan Executive Yuan, which for once caused some disturbance, has now ended with the Kuomintang [KMT] Central Committee Standing Committee reviewing and passing Hao Po-tsun's resignation as premier of the Executive Yuan. Following that, Taiwan's new "premier" is about to come out, which will be formally finalized on 26 February. Will it be Lien Chan or Lin Yang-kang? Everybody is waiting for the result.

After Taiwan's second Legislative Yuan was elected at the end of last year, the political circles in Taiwan plunged into a debate over whether the "cabinet" should resign collectively and over Taiwan's new round of personnel reshuffle. The KMT was on the brink of splitting because of this. In particular, because Li Teng-hui and Hao Po-tsun did not come to any agreement after several discussions, the political situation in Taiwan became even more clouded and tense. Because Hao Po-tsun's insisting on a collective resignation by challenging the Legislative Yuan's right to veto the "premier's" decision on this matter was a major issue concerning Taiwan's constitutional system, the ruling party had to present its policymaking rationale. Furthermore, many senior KMT officials were mediating between the two sides. As a result, the proposal for "cabinet" resignation forwarded by Hao Po-tsun the other day was passed without much difficulty at today's session of the KMT Central Committee Standing Committee, thus marking the end of Hao Po-tsun's career as "premier" which had lasted two years and eight months. This 73-year-old senior KMT official, who originally comes from outside Taiwan Province and was at one time an all powerful personality in the military and political circles, will join the important historical figures of Taiwan's political circles.

As Hao Po-tsun was stepping down, Li Teng-hui, as chairman of the KMT, kept showering Hao's prominent official attainments with "farewell sugary gestures." He

not only repeatedly praised Hao for being "loyal to the public and the state" and "just and honest," but also expressed his wish to continue to tap Hao's experience and wisdom to "dedicate to the party and the state." It is said that, besides the wish to appoint Hao as the convener of the KMT central policymaking guidance group, Li Teng-hui also plans to set up the position of vice party chairman at the 14th KMT Congress, which will be filled by Hao. But it is also said that Hao did not want to take up any new post after his resignation.

Now that the incident of "collective cabinet resignation" has subsided, the choice of the new "premier" candidate has become a new focus of attention of all circles in Taiwan. Though Li Teng-hui has not yet disclosed who it will be, Lien Chan, Li's henchman and incumbent governor of Taiwan Provincial Government, has been widely tipped for this position. On the other hand, Judicial Yuan President Lin Yang-kang, who enjoys the support from many senior KMT officials and the Legislative Yuan, is the only possible candidate capable of contending with Lien Chan.

If judged by various political resources and their political qualities, Lien and Lin each have their merits. In terms of age, Lien Chan, who is now 57 years of age, better qualifies as a "Mesozoic successor." In terms of political experience, 66-year-old Lin Yang-kang has a more rounded resume. If their academic qualifications are compared, though they both graduated from the Taiwan University of Political Science, doctorate-holding Lien Chan is a notch above his opponent. As far as their prestige in the eyes of the public is concerned, Lin beat Lien Chan in all the five premier candidacy polls conducted in Taiwan recently. But Lien has full support from the Democratic Progressive Party. However, at all events, the power for making decisions on personnel issues is in the hands of Li Teng-hui alone. Li is quite firm in his preference for Lien Chan and Lin Yang-kang was once Li Teng-hui's opponent in the 1990 "presidential" election. Therefore, if Lien Chan is appointed, people in and outside Taiwan would naturally not feel surprised. But what people are concerned with is whether or not the new "premier's" appointment will bring some changes to Taiwan's political circles and cross-strait relations.

Economics Minister on U.S. Trade Sanctions

OW0502011293 Taipei Voice of Free China in English
0200 GMT 4 Feb 93

[From the "News" program]

[Text] Economics Minister Hsiao Wan-chang has warned that the United States may impose trade sanctions on Taiwan for failing to stamp out piracy of foreign copyrights and patents.

Hsiao said that Washington was dissatisfied with Taiwan's efforts to improve protection of intellectual property rights. It might levy punitive tariffs on Taiwan-made products under Section 301 of U.S. Trade Law.

An aide to Hsiao confirmed his remark. He said: Thomas Brooks, director of the American Institute in Taiwan, met Hsiao on Monday [1 Feb] to relay Washington's concerns over the issue.

Last year, the United States removed Taiwan from the priority watch list of countries allegedly violating U.S. intellectual property rights, after the two sides signed a memorandum of understanding. Taiwan agreed to strengthen its legal protection of intellectual property and have its parliament approve a bilateral agreement on the issue by the end of January 1993, but the law-making Legislative Yuan failed to pass the 22-article pact before the deadline.

Legislators Depart for U.S. Talks

OW0402141093 Taipei CNA in English 0832 GMT
4 Feb 93

[Text] Taipei, Feb. 4 (CNA)—Legislator Chen Chien-jen, leading the Republic of China [ROC]'s delegation to the 1993 US prayer breakfast, left for Los Angeles Wednesday afternoon.

Chen, formerly a vice foreign minister and now legislator, said that besides visiting former U.S. President Ronald Reagan and American senators, they will also meet with Chinese community leaders and overseas representatives in the U.S. to further enhance mutual understanding.

The eight-member ROC group includes legislator Pan Wei-kang, and National Assemblyman Chiang Chi-wen.

The prayer breakfast is scheduled to take place Thursday at the White House in Washington D.C.

Cross-Strait Talks To Benefit Both Sides

OW0402125293 Taipei CNA in English 0837 GMT
4 Feb 93

[Text] Taipei, Feb. 4 (CNA)—An official of the Mainland Affairs Council (MAC) said that the proposed Koo-Wang talk can only do good for the people on both sides of the Taiwan Straits, and said he believed that the

opposition Democratic Progressive Party would have no reason to oppose to such a meeting.

Mac Chairman Huang Kun-huei was referring to a proposed talk between Koo Chen-fu, chairman of the Straits Exchange Foundation (SEF) and Wang Daohan, chairman of Peking's Association (ARATS).

Huang said the discussion would not be political in nature, and would instead focus on enhancing trade and cultural exchanges, and on protecting the rights of Taiwan businessmen investing on the mainland. It would only bring good to the people on both sides of the Taiwan Straits, he added.

Huang said that the time for the proposed talk, to take place in Singapore, would be decided soon.

As for whether Li Kuan Yew, Singapore's senior minister who is currently visiting Taiwan, had brought any word on the meeting, Huang said he did not know.

He also said that MAC hopes to establish a regular communication channel between SEF and ARATS after the talk, hoping that in the future the two groups would meet on a regular basis and consult on matters arising from exchanges between Taiwan and the mainland.

Cabinet Approves Cooperation With Netherlands

OW0402125093 Taipei CNA in English 0843 GMT
4 Feb 93

[Text] Taipei, Feb. 4 (CNA)—The cabinet Thursday morning approved a science and technological cooperation agreement with The Netherlands submitted by the National Science Council (NSC).

The NSC pointed out that The Netherlands is a model for small and medium countries in terms of science and technological development.

Under the agreement, the NSC and The Netherlands Science Organization will exchange science and technology personnel and research information. It retroacts from Jan. 1, 1993 and will be reviewed every three years.

Singapore Leaders Tour Kaohsiung, Taitung

OW0402125493 Taipei CNA in English 0830 GMT
4 Feb 93

[Text] Taipei, Feb. 4 (CNA)—The visiting Singapore Senior Minister Li Kuan Yew and Deputy Prime Minister Ong Teng Cheong took the south bend train from Taitung to Kaohsiung in southern Taiwan.

Li and Ong, accompanied by their wives and two officials, arrived at Chhipen Hot Springs, a scenic spot in the eastern county of Taitung, Wednesday 3 February].

This is the second time Li has visited Taitung. He first visited Taitung in 1990, and was quite impressed with its lush and beautiful scenery.

Taitung magistrate Cheng Lie also prepared some local produce as gift for the visiting distinguished guests, including Li's favorite buddha fruit.

As it was raining at Chihpen, Li's touring schedule in the afternoon was largely canceled. At night, Li attended a dinner arranged by Magistrate Cheng in his honor and watched a singing and dancing performance by Taitung aborigines.

Li showed a keen interest in learning the lifestyle of Taitung area residents.

Li arrived in Taipei Tuesday, and is scheduled to depart for home on Feb. 5.

New Administration Likely To Be Sworn in 1 Mar

*OW0502091893 Taipei CNA in English 0832 GMT
5 Feb 93*

[Text] Taipei, Feb. 5 (CNA)—Outgoing Premier Hao Po-tsun reiterated Thursday [4 February] that the entire cabinet resignation, the first in the history of the Republic of China, is of significance to the nation's democratization development.

Hao said he had always held the nation's future as his top priority and had not taken his personal career into consideration when pondering leaving the premiership in recent months.

Hao made the statement at a cabinet meeting Thursday, during which he himself and all ministers formally submitted resignations.

The four-star general-turned politician came up with a similar statement when he, as a Kuomintang [KMT] member, made his offer to resign to KMT chairman Li Teng-hui at the party's Central Standing Committee (CSC) meeting on Jan. 30.

Since not every cabinet minister attended that CSC meeting, Hao said he wanted to explain again his personal attitude toward the much talked about cabinet reshuffle.

He expressed the belief that he had always been consistent in helping the ruling party push for democratic reform, saying that his willingness to step down has never changed.

He said he had been considering making public this stance for several months but eventually put off the idea for fear of touching off political instability.

The resignation of the cabinet emerged as a controversial issue following the Dec. 19 legislative election, Hao noted. He lamented over the dilemma he had felt in the past month, where quitting would surely have prompted protests from his supporters, but declining to step down would have left the public with an impression that he was obsessed with retaining the premiership.

While thanking his supporters, the premier also hoped his resignation would set a precedent in the nation's constitutional democratization.

Hao denied that the resignation would leave the Executive Yuan as a "caretaker cabinet." The handling of administrative affairs should not be affected, he said.

The Legislative Yuan is scheduled to vote on President Li's nominee for the new premier on Feb. 26, and the new administration is likely to be sworn in on March 1.

President Consults Lawmakers on National Affairs

*OW0502094793 Taipei CNA in English 0817 GMT
5 Feb 93*

[Text] Taipei, Feb. 5 (CNA)—President Li Teng-hui Thursday [4 February] stressed his political ideal of "a world for all," pledging to seek "true freedom and democracy" and to the realization of a mature system of party politics in the Republic of China [ROC].

"Over the past few years, I have experienced all kinds of difficulties and withstood many personal insults in striving for this goal," President Li said while receiving a group of legislators from the northwestern part of Taiwan.

The president has begun meeting groups of the newly inducted lawmakers in a bid to seek their advice on national affairs, and especially in the best ways of implementing party politics and on the issue of the next premier which has stimulated so much recent debate.

He said that his consultations with lawmakers, the first in the history of the nation, is of historic significance for the political development of the nation.

"We have always held to the principle that as the nation moves more fully into a democratic era, we should pick the candidate (or the premiership) who not only has high aspirations, ideals and vision for the future, but most important of all, he must be honest," he said.

In response to the issue raised by the lawmakers on provincialism and Taiwan independence, President Li said that "I am the president of the Republic of China."

"I have reiterated that Taiwan independence is a dead end. Besides, most of my aides are mainlanders, Taiwan independence is just the thought of minority. The people of the nation should have no doubts of my anti-independence stand."

During the meeting, the lawmakers also exchanged views with the president on national development, diplomatic offensives and social stability.

Also present at the meeting were Presidential Office Secretary-General Tsiang Yen-si and Deputy Secretary-General Chiu Chin-yi.

New Guided-Missile Frigate Tests Successfully

*OW0502092693 Taipei CNA in English 0821 GMT
5 Feb 93*

[Text] Taipei, Feb. 5 (CNA)—The warship "Cheng Kung," the first indigenously manufactured guided-missile frigate, is expected to be delivered as schedule to the ROC [Republic of China] Navy, with the duty of protecting the territorial waters around Taiwan, the Navy authorities said.

The "Cheng Kung" performed remarkably recently in its first operational and navigational tests at sea, the Navy said.

All the Navy officials attending the exercise gave the "Cheng Kung" high marks in an assessment of its

performance in night combat and navigation, full-speed advancing, high-speed turnaround and shell-avoidance.

Navy spokesman said the "Cheng Kung" will undergo several more tests on its operational capabilities before it goes into service.

The Navy has commissioned the state-run China Shipbuilding Corp. to build a total of eight frigates like the "Cheng Kung," an improved model of the US Navy's high-speed missile frigate USS Perry. The eight frigates will take the place of the ROC Navy's aging fleet.

Two US-made anti-submarine helicopters stationed on the "Cheng Kung" will also undergo more tests of anti-submarine combat capabilities.

The eighth frigate is scheduled to be delivered to the Navy in October, 1999.

Hong Kong**Lu Ping, Zhou Nan To Meet Advisers***HK0502031593 Hong Kong WEN WEI PO in Chinese
5 Feb 93 p 2*

[By staff reporter Su Hongru (5685 7703 1172): "Lu Ping and Zhou Nan Are To Meet 37 Hong Kong Affairs Advisers in Guangzhou To Discuss Hong Kong's Constitutional Reform and the New Airport Project"]

[Text] Guangzhou, 4 Feb (WEN WEI PO)—Starting tomorrow, Lu Ping, director of the State Council's Hong Kong and Macao Affairs Office, and Zhou Nan, director of the XINHUA Hong Kong Branch, will meet with 37 Hong Kong affairs advisers in groups in Guangzhou for three consecutive days and will listen to their opinions on various Hong Kong issues.

The following officials have come to Guangzhou from Beijing and Hong Kong: from the Hong Kong and Macao Affairs Office, Director Lu Ping, Deputy Director Wang Qiren, First Department Director Chen Zuoer, Second Department Director Wang Fengchao, Second Department Deputy Director Xu Ze; from the XINHUA Hong Kong Branch, Director Zhou Nan and Deputy Director Xin Wenjun; from the Coordination Department of the XINHUA Hong Kong Branch, Director Lin Keping, Deputy Director Mao Yunian, and Section Chief Xiu Dong.

Zhou Nan was the first to arrive. Upon arrival in Guangzhou, he said that the Hong Kong affairs advisers can discuss whatever they please at the meetings, and the Chinese officials will carefully listen to their opinions. Deputy Director Qin Wenjun of the XINHUA Hong Kong Branch came to Guangzhou along with Reverend Sik Kwok-kwong, a Hong Kong affairs adviser. Qin said that the constitutional issue and other issues will all be discussed at the meetings with the Hong Kong affairs advisers.

Lu Ping arrived this afternoon. He did not say anything to the reporters waiting for him. Chen Zuoer, who arrived some time later, said that they will listen to the Hong Kong affairs advisers' opinions on various issues during their meetings with them.

In discussing the new airport issue, Chen said that they will listen to opinions from various sectors of Hong Kong, including the opinions of the Hong Kong affairs advisers.

Discuss 'Second Power Base'*HK0502120793 Hong Kong Television Broadcasts
Limited in English 1115 GMT 5 Feb 93*

[From the "News at 7:10"]

[Text] Chinese officials are once again stressing the need to set up what is called a second power base in Hong

Kong. The comments come as Chinese officials met with Hong Kong advisers in Guangzhou for a strategy session. Peri Chow has more:

[Begin recording] [Peri Chow] Director of Hong Kong and Macao Affairs Office Lu Ping and NCNA [XINHUA] Hong Kong Director Zhou Nan are both in Guangzhou listening to the views of the advisers. Both officials dodged reporters. But according to Adviser Dorothy Liu, the need to set up a second power base in Hong Kong is evident:

[Dorothy Liu] Mr Lu Ping started by summing up the situation. Mr. Zhou Nan summed up what he understood to be our opinion, namely, we all understand that it is necessary for us on the Chinese side to show that we are aware of our responsibility to be in charge, to make sure that there will be a smooth transition, to make sure that the SAR [special administrative region] will be set up successfully, and the Basic Law will be implemented to the full.

[Peri Chow] Liu stressed that no details will be finalized until China completes a wide consultation with the advisers and other people in the territory.

PRC Reiterates Stand on Airport, Contracts*HK0502035593 Hong Kong WEN WEI PO in Chinese
5 Feb 93 p 11*

[Report: "Guo Fengmin, Chen Keqiang Stress That Airport Contracts Straddling 1997 Must Not Be Unilaterally Approved by British Side"]

[Text] With regard to the Legislative Council [Legco] Airport Financial Group's plan to examine the Hong Kong Government's \$1.43 billion [Hong Kong dollars] appropriation request for the West Lantau Expressway project on 5 February, Guo Fengmin, chief representative of the Chinese side in the Sino-British Joint Liaison Group, reiterated that the Chinese side's position and attitude was clearly expressed last time and remains unchanged at present. He added that the Chinese side always demands that the Memorandum of Understanding [MOU] on the new airport project be strictly observed.

Yesterday, Guo Fengmin attended a Spring Festival reception held by the China Resources Group and extended New Year greetings to all. He also expressed his wish that Governor Patten would recover quickly from his illness. He said that the Chinese side has received some documents on issuing the cable television license and is studying them.

On the same occasion, in response to the question about the Legco Airport Financial Group's discussion of the appropriation request, Chen Keqiang, director of the XINHUA Hong Kong Branch's Economic Department and also a member of the Sino-British Airport Committee, said that, as the MOU on the new airport project clearly states, the Chinese side must be consulted on all

major matters concerning the airport project and those which straddle 1997. When the British Hong Kong Government signed the relevant contracts, however, it did not consult the Chinese side at all, and the promises unilaterally made by the British side will not be recognized by the Chinese side. If the British Hong Kong Government continues to perversely act on its own and unilaterally sign contracts which straddle 1997, the Chinese side will object to all of them and will bear no responsibility for such contracts.

Chen Keqiang added: On the issue of the new airport project, the British Hong Kong Government must make the proper financial arrangements, but it has not come up with a solution thus far. He stressed that the British side is the party responsible for the construction of the new airport, so it is the British side rather than the Chinese side that should come up with a new financial package.

Justices of Peace Petition Legco on Reform

HK0402064793

[Editorial Report] Three Chinese-language Hong Kong newspapers, the PRC-funded WEN WEI PO, the centrist MING PAO, and the financial HSIN PAO, each publish on page 6 of their 3 February 1993 editions a half-page petition entitled "A Petition to All Legislative Council [Legco] Members."

The petition is signed by Hong Kong's 21 justices of the peace: Li Tung-hai, Lui Che Woo, Chan Chin-yuen, Yiu Chung Lap, Cheung Wai Bun, Yeh Ching-chung, Tseng Cheng, Huang Chien-heng, Tsui Tsin Tong, Leung Ding Bong, Chiang Yung-an, Chan Yau Hing, Chan Nai Keong, Liao Lieh-ke, Sun Ping-shu, Li Ta-san, Huang Yun-tien, Chang Chen-han, Chao-Tseng Hsueh-yun, Shum Choi Sang, and Lai Tim Cheung.

Following are excerpts from the petition:

"Recently, the dispute caused by Mr. Patten's putting forward constitutional reform proposals has seriously undermined Hong Kong people's confidence in the territory's stable and prosperous future. Prompted by a deep love for Hong Kong and consequent distress over the present situation, we would like to present our opinion and make an appeal.

"We love democracy, defend human rights, and long for liberty. But now, the governor has proposed implementing constitutional reforms in 1995, only 20 months before the setting up of the first Legco of the Hong Kong Special Administrative Region as outlined in the Basic Law. The Chinese side has stated that because this gesture contravenes the spirit and principle of conducting democratic elections by an orderly and gradual process and of holding ~~consultations~~ between the two sides, which is laid down in the Basic Law, it firmly objects to it and will 'set up a separate kitchen cabinet' when the time comes. Consequently, though the British Hong Kong Government said that it had forwarded the

'constitutional reform proposals' to speed up democratization in the short space of time prior to 1997 in the interests of the people of Hong Kong, it ended up causing a dispute, producing opposite effects, and generating unnecessary, otherwise avoidable upheaval. This is indeed deplorable.

"Observation shows that China has been implementing its reform and opening up policy in recent years, the people's livelihood has greatly improved, signs of growing prosperity are found in various places around the country, and China's national strength is steadily picking up. If this situation is matched with Hong Kong's continued prosperity and stability and the two sides support and cooperate with each other, we are deeply convinced that the economic takeoff in China is bound to bring greater benefits to Hong Kong. Hong Kong's status will be more important, the voice of the people of Hong Kong will be stronger, and the goal of one country, two systems will be easier to achieve. We may state with certainty that without political stability in China, it is absolutely impossible for Hong Kong to continue its stability and prosperity independently after 1997. If Hong Kong only seeks to accelerate 'constitutional reforms' and the democratization process without attending to stability, transition, and convergence, is it to use Hong Kong as a catalyst for China's democratization? Entertaining such an idea will unconsciously cause confrontations with the sovereign state and, in the end, dispute is bound to arise from here, creating persistent turbulence for Hong Kong's future. From a short-term point of view, its harms are evident before any sign of advantage has come in sight; in the long run, the future is also uncertain. Inevitably, it will hit Hong Kong's economic circles, with all the trades and professions in the territory bearing the brunt, and Hong Kong's social interests and people's livelihood will directly suffer from it.

"All Legco members are charged with the weighty responsibility for Hong Kong's social development and the provision of service for the public. Now that the constitutional proposals are about to be submitted to the Legco for deliberation, whether or not Hong Kong can continue its stability and prosperity depends on how wise you are when making your choice...."

At this point, quotations by several British officials who "have a profound knowledge of Hong Kong," including Sir Percy Cradock, British prime minister's foreign affairs adviser, and former Hong Kong Governors MacLehose and Wilson, are cited. The common thread of the quotes is opposition to Governor Patten's reform proposals.

The petition continues: "We value the views cited above and believe that, because China and Britain have agreed to retain all the measures that have proved effective in Hong Kong in the past, it is unnecessary to be too radical in pushing ahead with the introduction of the public election system. Since Hong Kong did not embark on the road of stability and prosperity until China, Britain, and

Hong Kong arrived at a compromise and commenced cooperation with each other, all major issues straddling 1997 should be discussed and differences resolved through consultations, whereby the pros and cons are weighed to facilitate convergence.

"We hope all Legco members will carefully consider the viewpoints presented above, and take special account of Hong Kong's social interests and people's livelihood, refrain from pursuing future ideals to the neglect of the

excellent foundation in the reality that has been laid, endorse the principles based on the Sino-British Joint Declaration and the Basic Law, and gradually move ahead at the prescribed pace. No reform proposals should enter into the legislative process and subsequent implementation until an understanding is reached between the Chinese and British Governments. Only so can Hong Kong have stability, prosperity, and a bright future."

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